OHIO

SENATE

JOURNAL

CORRECTED VERSION
MONDAY, JULY 13, 2009

SEVENTY-FOURTH DAY
Senate Chamber, Columbus, Ohio
Monday, July 13, 2009, 1:30 p.m.

The Senate met pursuant to adjournment.

Prayer was offered by Pastor Matt Keller, Calvery Bible Baptist Church, Westerville, Ohio, followed by the Pledge of Allegiance to the Flag.

The journal of the last legislative day was read and approved.

REPORTS OF REFERENCE AND BILLS FOR SECOND CONSIDERATION

Senator Harris reports for the Standing Committee on Reference, recommending that the following bills, standing in order for second consideration, be referred to committee as recommended:

S. B. No. 151-Senator Grendell.

To enact section 1545.073 of the Revised Code to authorize a park district's board of park commissioners to create a building department for building code enforcement purposes.

To the Committee on State and Local Government and Veterans' Affairs.

S. B. No. 152-Senator Buehrer, et al.

To amend sections 121.04, 153.64, 3781.25, 3781.26, 3781.27, 3781.28, 3781.29, 3781.30, 3781.31, and 3781.32 and to enact sections 3781.261, 3781.281, and 3781.33 to 3781.38 of the Revised Code to modify the call before you dig notification system and to create the Underground Protection Commission of Ohio and the State Underground Protection Advisory Committee.

To the Committee on Energy and Public Utilities.

S. B. No. 153-Senator Patton.

To amend sections 2915.01 and 2915.091 of the Revised Code to change the definition of "instant bingo ticket dispenser" and to authorize a charitable organization to purchase, lease, and use instant bingo ticket dispensers.

To the Committee on Finance and Financial Institutions.

S. B. No. 154-Senator Patton.

To enact section 3959.20 of the Revised Code to prohibit pharmacy benefit managers that have a relationship with a retail pharmacy from using that relationship to the competitive disadvantage of other retail pharmacies.

To the Committee on Insurance, Commerce and Labor.

YES - 5: BILL HARRIS, TOM NIEHAUS, KEITH L. FABER, CAPRI S. CAFARO, SHIRLEY A. SMITH.

NO - 0.

The question being, "Shall the report of the committee be accepted?"

The report of the committee was accepted.

Said bills were considered a second time and referred to committee as recommended.

BILLS FOR THIRD CONSIDERATION

Am. H. B. No. 150-Representatives Ujvagi, McGregor.
Cosponsors: Representatives Amstutz, Bolon, Book, Boyd, Brown, Bubp, Carney, Chandler, Celeste, Daniels, DeBose, DeGeeter, Domenick, Driehaus, Dodd, Dyer, Evans, Fende, Foley, Gardner, Garland, Garrison, Gerberry, Goyal, Grossman, Hackett, Hagan, Harris, Harwood, Heard, Hite, Hottinger, Koziura, Lehner, Letson, Luckie, Lundy, Mandel, Mallory, Martin, Miller, Moran, Morgan, Murray, Newcomb, Oelslager, Okey, Patten, Phillips, Pillich, Pryor, Sayre, Schneider, Skindell, Slesnick, Stewart, Sykes, Szollosi, Weddington, Williams, B., Williams, S., Winburn, Yates, Yuko, Combs, Boose, Adams, R., Bacon, Balderson, Batchelder, Blair, Blessing, Burke, Coley, Derickson, Dolan, Goodwin, Hall, Huffman, Jones, Maag, McClain, Mecklenborg, Otterman, Ruhl, Sears, Snitchler, Stautberg, Stebelton, Uecker, Wachtmann, Wagner, Zehringer. Senators Hughes, Fedor, Grendell.

To enact section 5.2265 of the Revised Code to designate August as "Ohio Military Family Month" and to declare an emergency, was considered the third time.

The question being, "Shall the section, Section 2, setting forth the emergency features of the bill, stand as a part of the bill?"

Senator Carey moved to amend as follows:

Between lines 6 and 6a, insert:

"**Section 2.** Within the limits set forth in this act, the Director of Budget and Management shall establish accounts indicating the source and amount of funds for each appropriation made in this act, and shall determine the form and manner in which appropriation accounts shall be maintained.

Section 3. Except as provided in divisions (C) and (D) of this section, there is hereby appropriated for the period July 15, 2009, through July 21, 2009, to each agency, board, commission, department, office, authority, or other organization for which an appropriation was made by the 127th General Assembly, out of money in the state treasury to the credit of the respective funds of the state from which appropriations were made for the 2009 fiscal year, for each specific item for which an appropriation was made by the 127th General Assembly, taking into account Controlling Board actions and executive budget reductions, an amount equal to the following:

(A) For General Revenue Fund appropriation items, seventy per cent of one fifty-second of each item's adjusted spending levels for the 2009 fiscal year as adjusted by all budget directives issued by the Office of Budget and Management pursuant to Executive Order 2008-01S.

(B) For federal special revenue, state special revenue, or proprietary appropriation items, one hundred per cent of one-fifty-second of each item's adjusted spending levels for the 2009 fiscal year as adjusted by all budget directives issued by the Office of Budget and Management pursuant to Executive Order 2008-01S.

(C) It is expressly provided as follows:

(1) There is hereby appropriated from the money in the state treasury an amount equal to one hundred per cent of spending levels equal to the second foundation payment made in June of 2009 for appropriation item 200550, Foundation Funding. Foundation funding shall be based on the formula used to calculate the second foundation payment made in June of 2009.

(2) There is hereby appropriated from the money in the state treasury an amount equal to one-twelfth of spending levels for the 2009 fiscal year for appropriation item 235501, State Share of Instruction. State share of instruction subsidy payments shall be based on the formula in existence on June 30, 2009.

(3) There is hereby appropriated to those agencies mentioned in Section 4 of this act those moneys received from the federal government pursuant to the American Recovery and Reinvestment Act.

(4) There is hereby appropriated those amounts necessary for expenses incurred in appropriation item 600525 for Medicaid. Rates reimbursed for providers for the period from July 15, 2009, through July 21, 2009, shall be the same as rates on June 30, 2009.

(5) No money is appropriated for programs or agencies that were

terminated by action of law, other than the expiration of an appropriation item, prior to June 30, 2009.

(6) No money shall be spent by any state agency for any program that is new or to the extent it has been expanded other than by operation of law.

(7) No money is appropriated for any purpose for which appropriations are made elsewhere in this act.

(8) No money is appropriated for capital purposes other than by reappropriation of unexpended balances of existing appropriations.

(9) No money is appropriated for purposes that have full fiscal year 2010 appropriations by another act of the General Assembly.

(D) There is hereby appropriated for the period July 15, 2009, through July 21, 2009, to the legislative and judicial branches and their respective agencies seventy per cent of one fifty-second of those agencies' adjusted spending levels for the 2009 fiscal year as adjusted by all budget directives issued by the Office of Budget and Management pursuant to the Executive Order 2008-01S.

(E) Where additional amounts are necessary to pay the wages, benefits, and other payroll-related expenses of state employees who are paid directly by warrant of the Director of Budget and Management, including elected state officials, those additional amounts are hereby appropriated.

The Director of Budget and Management shall make any determinations necessary to decide which provision applies from this section. All appropriations contained in this act shall be cumulative with any subsequent appropriation act of the 128th General Assembly, and the Director of Budget and Management shall account for expenditures from appropriations contained in this act accordingly.

Section 4. FEDERAL STABILIZATION APPROPRIATIONS

There is hereby appropriated in anticipation of receiving federal stabilization funds from the American Recovery and Reinvestment Act, Title XIV for the following items:

(A) Board of Regents appropriation item 235644, State Share of Instruction - Federal Stimulus – Education, $5,959,116;

(B) Department of Education appropriation item 200551 Foundation Funding - Federal Stimulus, $7,453,537; and

(C) Department of Rehabilitation and Corrections appropriation item 501620 Institutional Operations-Federal Stimulus, $638,881.

Section 5. Any general financial provision of H.B. 16 of the 128th General Assembly that applies to appropriations and expenditures under that act applies also to appropriations and expenditures under this act.

Section 6. The sections of law contained in this act are exempt from the referendum under Ohio Constitution, Article II, Section 1d and section 1.471 of the Revised Code, and therefore take effect immediately when this act becomes law."

Delete lines 6a through 6f

Delete line 2a of the title and insert "and to make operating appropriations for the period beginning July 15, 2009, and ending July 21, 2009."

The question being, "Shall the motion be agreed to?"

The motion was agreed to.

The question recurred, "Shall the section, Section 2, setting forth the emergency features of the bill, stand as a part of the bill?"

The yeas and nays were taken and resulted - yeas 32, nays 0, as follows:

Those who voted in the affirmative were: Senators

Buehrer	Cafaro	Carey	Cates
Coughlin	Faber	Fedor	Gibbs
Gillmor	Goodman	Grendell	Hughes
Husted	Kearney	Miller D	Miller R
Morano	Niehaus	Patton	Sawyer
Schaffer	Schiavoni	Schuring	Seitz
Smith	Stewart	Strahorn	Turner
Wagoner	Widener	Wilson	Harris-32.

So the section, Section 2, setting forth the emergency features of the bill stood as a part of the bill.

The question being, "Shall the bill pass as an emergency measure?"

The yeas and nays were taken and resulted - yeas 32, nays 0, as follows:

Those who voted in the affirmative were: Senators

Buehrer	Cafaro	Carey	Cates
Coughlin	Faber	Fedor	Gibbs
Gillmor	Goodman	Grendell	Hughes
Husted	Kearney	Miller D	Miller R
Morano	Niehaus	Patton	Sawyer
Schaffer	Schiavoni	Schuring	Seitz
Smith	Stewart	Strahorn	Turner
Wagoner	Widener	Wilson	Harris-32.

So the bill having received the required constitutional majority passed as an

emergency measure.

The question being, "Shall the title be agreed to?"

Senator Fedor moved to amend the title as follows:

Add the names: "Buehrer, Cafaro, Carey, Faber, Gibbs, Gillmor, Harris, Kearney, Miller, D., Miller, R., Niehaus, Sawyer, Schaffer, Schiavoni, Smith, Stewart, Strahorn, Turner, Wagoner, Widener, Wilson, Patton."

The question being, "Shall the motion be agreed to?"

The motion was agreed to and the title so amended.

Sub. S. B. No. 89-Senator Morano.
Cosponsors: Senators Fedor, Cafaro, Schiavoni, Miller, R., Miller, D., Kearney, Turner, Sawyer, Wilson, Wagoner, Gillmor, Schuring.

To amend sections 3333.28, 4723.01, 4723.06, 4723.48, 4723.482, and 4723.50; to amend, for the purpose of adopting new section numbers as indicated in parentheses, sections 4723.484 (4723.485) and 4723.485 (4723.486); and to enact new section 4723.484 and section 3333.29 of the Revised Code regarding prescriptive authority of out-of-state advanced practice nurses, cooperation among hospitals and state institutions of higher education with nursing education programs, and allocations from the Nurse Education Assistance Fund, was considered the third time.

The question being, "Shall the bill, **Sub. S. B. No. 89**, pass?"

The yeas and nays were taken and resulted - yeas 32, nays 0, as follows:

Those who voted in the affirmative were: Senators

Buehrer	Cafaro	Carey	Cates
Coughlin	Faber	Fedor	Gibbs
Gillmor	Goodman	Grendell	Hughes
Husted	Kearney	Miller D	Miller R
Morano	Niehaus	Patton	Sawyer
Schaffer	Schiavoni	Schuring	Seitz
Smith	Stewart	Strahorn	Turner
Wagoner	Widener	Wilson	Harris-32.

So the bill passed.

The question being, "Shall the title be agreed to?"

Senator Morano moved to amend the title as follows:

Add the names: "Carey, Gibbs, Harris, Hughes, Niehaus, Patton, Schaffer, Strahorn, Smith."

The question being, "Shall the motion be agreed to?"

The motion was agreed to and the title so amended.

On the motion of Senator Niehaus, the Senate recessed until 6:37 p.m.

The Senate met pursuant to the recess.

INTRODUCTION AND FIRST CONSIDERATION OF BILLS

The following bill was introduced and considered the first time:

S. B. No. 155-Senators Carey, Miller, D.

To amend section 5747.01 of the Revised Code to partially decouple Ohio law from recent federal tax law changes, to require the Department of Job and Family Services to operate the Disability Medical Assistance Program in the same manner the Program was operated as of June 30, 2009, and to make appropriations.

On the motion of Senator Niehaus the Senate reverted to the fourth order of business, Reports of Conference Committees.

REPORTS OF CONFERENCE COMMITTEES

The Committee of Conference to which the matters of difference between the two houses were referred on Am. Sub. H.B. 1, Representative Sykes - et al., having had the same under consideration, recommends to the respective houses as follows:

The bill as passed by the Senate with the following amendments:

In line 335, after "1753.09," insert "1901.121,"; after "1901.31," insert "1907.14,"

Between lines 28540 and 28541, insert:

"**Sec. 1901.121.** (A)(1)(a) Subject to division (A)(2) of this section and in accordance with the payment procedures specified in division (B) of this section, a judge specified in division (A)(1)(b) of this section is entitled, on a per diem basis, to the compensation paid to the incumbent judge of the municipal court in which the judge is appointed or designated to serve. If the incumbent judge is compensated as described in division (A)(5) of section 141.04 of the Revised Code, the appointed or designated judge is entitled to compensation at that rate. If the incumbent judge is compensated as described in division (A)(6) of section 141.04 of the Revised Code, the appointed or designated judge is entitled to compensation at that rate.

(b) The following judges shall receive compensation as described in

division (A)(1)(a) of this section:

~~:~~

(i) An acting judge appointed pursuant to division (B) of section 1901.10 of the Revised Code as a substitute judge because of the volume of cases pending in the municipal court and the report of the chief justice of the supreme court that no judge of another municipal court or county court is available to serve by designation;

(ii) A judge of another municipal court or county court designated by the chief justice of the supreme court pursuant to division (B) of section 1901.10 of the Revised Code because of the volume of cases pending in the municipal court;

(iii) An acting judge authorized by division (B) of section 1901.12 of the Revised Code and appointed pursuant to division (A)(2) of section 1901.10 of the Revised Code as a substitute for the judge of a municipal court that has only one judge ~~,~~ who is on vacation;

(iv) An acting judge authorized by division (B) of section 1901.12 of the Revised Code and appointed by the presiding judge of the municipal court pursuant to that division as a substitute judge because an incumbent judge is on vacation or not in attendance;

(v) A retired judge who has been assigned to active duty on the municipal court .

(c) An acting judge appointed pursuant to division (A)(2) of section 1901.10 of the Revised Code as a substitute for a judge who is the judge of a municipal court that has only one judge and who is temporarily absent, incapacitated, or otherwise unavailable is entitled to compensation in an amount established by the incumbent judge pursuant to division (A)(2) of section 1901.10 of the Revised Code.

(2) Division (A)(1) of this section does not include any acting judge, judge, or retired judge who, at the time of the judge's appointment, designation, or assignment, is receiving compensation under division (A)(5) or (6) of section 141.04 of the Revised Code, except that division (A)(1) of this section includes a judge who is receiving compensation under division (A)(6) of section 141.04 of the Revised Code and who is appointed or designated to serve in a municipal court in which the incumbent judge receives compensation as described in division (A)(5) of that section.

(B) Subject to reimbursement under division (C) of this section, the treasury of the county in which a county-operated municipal court or other municipal court is located shall pay, on a per diem basis, the compensation to which an acting judge, judge, or retired judge as described in division (A)(1) of this section is entitled.

(C) The treasurer of a county that, pursuant to division (B) of this section, is required to pay any compensation to which ~~the~~ an acting ~~judges~~ judge, ~~judges~~

judge, or retired ~~judges~~ judge described in division (A)(1) of this section ~~are~~ and appointed or designated by the chief justice is entitled under division (A)(5) or (6) of section 141.04 of the Revised Code, shall submit to the administrative director of the supreme court quarterly requests for reimbursements of the per diem amounts so paid. The reports shall include verifications of the payment of those amounts. The administrative director shall cause reimbursements of those amounts to be issued to the county if the administrative director verifies that those amounts were, in fact, so paid."

Between lines 29219 and 29220, insert:

"**Sec. 1907.14.** ~~(A)~~ A judge of a county court shall take an oath of office as provided in section 3.23 of the Revised Code, the office of judge of a county court is subject to forfeiture, and a judge may be removed from office, for the causes and by the procedure provided in sections 3.07 to 3.10 of the Revised Code.

When a judge of a county court is temporarily absent, incapacitated, or otherwise unavailable, the judge may appoint a substitute having the qualifications required by section 1907.13 of the Revised Code or may appoint a retired judge of a court of record in the state who is a qualified elector and a resident of the county court district. If the judge is unable to make the appointment, the administrative judge of the county court district or the administrative judge of the court of common pleas of the county shall appoint the substitute. The appointee shall serve during the absence, incapacity, or unavailability of the incumbent, shall have the jurisdiction and powers conferred upon the judge of the county court, and shall be styled "acting judge." During that term of service, the acting judge shall sign all process and records and perform all acts pertaining to the office except that of removal and appointment of officers of the court. All courts shall take judicial notice of the selection and powers of the acting judge. The incumbent judge shall establish the amount of the compensation of an acting judge on a per diem, hourly, or other basis, and the compensation shall not exceed the per diem compensation paid to the incumbent judge based upon a work year of one hundred thirty days. The compensation shall be payable in the same manner as the compensation paid to the incumbent judge during the same period.

~~(B) The treasurer of a county that, pursuant to division (A) of this section, is required to pay any compensation to which the acting judges, judges, or retired judges described in that division are entitled under division (A)(6) of section 141.04 of the Revised Code, shall submit to the administrative director of the supreme court quarterly requests for reimbursements of the per diem amounts so paid. The reports shall include verifications of the payment of those amounts. The administrative director shall cause reimbursements of those amounts to be issued to the county if the administrative director verifies that those amounts were, in fact, so paid.~~

In line 90837, after "1753.09," insert "1901.121,"; after "1901.31," insert "1907.14,"

In line 57 of the title, after "1753.09," insert "1901.121,"; after "1901.31," insert "1907.14,"

In line 103704, delete "301.20.50,"

Delete lines 103736a through 103771

In line 103793, delete "301.20.50,"

In line 103809, delete "Sections 201.30 and" and insert "Section"

Delete lines 103812 through 103954a

In line 103988, delete "Sections 201.30 and" and insert "Section"

In line 103990, delete "are" and insert "is"

Delete line 104262

In line 104263a, delete " 19,511,287" and insert " 19,211,287"

In line 104481, reinsert:

"C371A9 Western Reserve Historical Society $300,000"

In line 104572a, delete " 42,309,834" and insert " 42,609,834"

In line 104573a, delete " 42,309,834" and insert " 42,609,834"

In line 252 of the title, delete "301.20.50,"

In line 254 of the title, delete "201.30,"

Between lines 96616 and 96617, insert:

"Tobacco Master Settlement Agreement Fund Group

5BX0 440656 Tobacco Use Prevention $6,000,000 $6,000,000

TOTAL TSF Tobacco Master Settlement

Agreement Fund Group $6,000,000 $6,000,000"

In line 96617, add $6,000,000 to each fiscal year

Between lines 96779 and 96780, insert:

"TOBACCO USE PREVENTION

The Department of Health shall seek Controlling Board approval prior to expending any moneys from appropriation item 440656, Tobacco Use Prevention. The Department shall submit a spending plan to the Controlling Board for each project for which they seek expenditure approval."

In line 19832, delete " The board of directors of" and insert " Division (B)(2) of this section applies only to"

In line 19833, after " population" insert " , according to the 2000 federal decennial census,"

In line 19834, after the first " hundred" insert " thirty-five"; after the second " thousand" insert " and containing entirely within its boundaries the territory of a municipal corporation with a population according to that census of more than fifty thousand. The board of directors of such a convention facilities authority"

In line 309, delete "175.04,"

In line 374, after "3937.41," insert "3951.01,"

In line 433, delete "175.33, 175.34, 175.35,"

Delete lines 16850 through 16996 and insert:

"**Sec. 175.01.** As used in ~~this chapter~~ sections 175.01 to 175.13 of the Revised Code:

(A) "Bonds" means bonds, notes, debentures, refunding bonds, refunding notes, and other obligations.

(B) "Down payment assistance" means monetary assistance for down payment closing costs, and pre-paid expenses directly related to the purchase of a home.

(C) "Financial assistance" means grants, loans, loan guarantees, an equity position in a project, and loan subsidies.

~~(C)~~ (D) "Grant" means funding for which repayment is not required.

~~(D)~~ (E) "Homeownership program" means any program for which the Ohio housing finance agency provides financing, directly or indirectly, for the purchase of housing for owner-occupancy.

~~(E)~~ (F) "Housing" means housing for owner-occupancy and multifamily rental housing.

~~(F)~~ (G) "Housing development fund" means the housing development fund created and administered pursuant to section 175.11 of the Revised Code.

~~(G)~~ (H) "Housing finance agency personal services fund" means the housing finance agency personal services fund created and administered pursuant to section 175.051 of the Revised Code.

~~(H)~~ (I) "Housing for owner-occupancy" means housing that is intended for occupancy by an owner as a principal residence. "Housing for owner-occupancy" may be any type of structure and may be owned in any form of ownership.

~~(I)~~ (J) "Housing trust fund" means the low- and moderate-income housing trust fund created and administered pursuant to Chapter 174. of the Revised Code.

~~(J)~~ (K) "Improvement" means any alteration, remodeling, addition, or repair that substantially protects or improves the basic habitability or energy

efficiency of housing.

~~(K)~~ (L) "Lending institution" means any financial institution qualified to conduct business in this state, a subsidiary corporation that is wholly owned by a financial institution qualified to conduct business in this state, and a mortgage lender whose regular business is originating, servicing, or brokering real estate loans and who is qualified to do business in this state.

~~(L)~~ (M) "Loan" means any extension of credit or other form of financing or indebtedness extended directly or indirectly to a borrower with the expectation that it will be repaid in accordance with the terms of the underlying loan agreement or other pertinent document. "Loan" includes financing the Ohio housing finance agency extends to lending institutions and indebtedness the agency purchases from lending institutions.

~~(M)~~ (N) "Loan guarantee" means any agreement in favor of a lending institution, bondholder, or other lender in which the credit and resources of the housing finance agency or the housing trust fund are pledged to secure the payment or collection of financing extended to a borrower for the acquisition, construction, improvement, rehabilitation, or preservation of housing or to refinance any financing previously extended for those purposes.

~~(N)~~ (O) "Loan subsidy" means any deposit of funds the Ohio housing finance agency holds or administers into a lending institution with the authorization or direction that the income or revenues the deposit earns, or could have earned at competitive rates, be applied directly or indirectly to the benefit of housing assistance or financial assistance.

~~(O)~~ (P) "Low- and moderate-income persons" means individuals and families who qualify as low- and moderate-income persons pursuant to guidelines the agency establishes.

~~(P)~~ (Q) "Multifamily rental housing" means multiple unit housing intended for rental occupancy.

~~(Q)~~ (R) "Nonprofit organization" means a nonprofit organization in good standing and qualified to conduct business in this state including any corporation whose members are members of a metropolitan housing authority.

~~(R)~~ (S) "Owner" means any person who, jointly or severally, has legal or equitable title to housing together with the right to control or possess that housing. "Owner" includes a purchaser of housing pursuant to a land installment contract if that contract vests possession and maintenance responsibilities in the purchaser, and a person who has care or control of housing as executor, administrator, assignee, trustee, or guardian of the estate of the owner of that housing.

~~(S)~~ (T) "Security interest" means any lien, encumbrance, pledge, assignment, mortgage, or other form of collateral the Ohio housing finance agency holds as security for financial assistance the agency extends or a loan the agency acquires."

Delete lines 17001 through 17202 and insert:

" **Sec. 175.30.** As used in sections 175.30 to 175.32 of the Revised Code:

(A) "First home" or "home" means the first residential real property located in this state to be purchased by a recipient who has not owned or had an ownership interest in a principal residence in the three years prior to the purchase.

(B) "Graduate" means an individual who has graduated from an institution of higher education and who is eligible under division (B) of section 175.31 of the Revised Code to apply for a grant, financial assistance, or down payment assistance awarded under the grants for grads program.

(C) "Institution of higher education" means a state university or college located in this state, a private college or university located in this state that possesses a certificate of authorization issued by the Ohio board of regents under Chapter 1713. of the Revised Code, or an accredited college or university located outside this state that is accredited by an accrediting organization or professional accrediting association recognized by the Ohio board of regents.

(D) "Ohio resident" means any of the following:

(1) An individual who was a resident of this state at the time of the individual's graduation from an Ohio public or nonpublic high school that is approved by the state board of education, and who is a resident of this state at the time of applying for the program;

(2) An individual who was a resident of this state at the time of completing, through the twelfth-grade level, a home study program approved by the state board of education, and who is a resident of this state at the time of applying for the program;

(3) An individual whose parent was a resident of this state at the time of the individual's graduation from high school, and who graduated from either of the following:

(a) An out-of-state high school that was accredited by a regional accrediting organization recognized by the United States department of education and met standards at least equivalent to those adopted by the state board of education for approval of nonpublic schools in this state;

(b) A high school approved by the United States department of defense.

(E) "Program" means the grants for grads program created under section 175.31 of the Revised Code.

(F) "Recipient" means an individual who has been awarded a grant or has received financial assistance or down payment assistance under the program.

Sec. 175.31. (A) There is hereby created the grants for grads program for the purpose of providing grants or other financial assistance or down payment assistance to Ohio residents who have received an associate, baccalaureate,

master's, doctoral, or other postgraduate degree, which grants or assistance shall be used by a recipient to pay for the down payment or closing costs on the purchase of a first home. The program shall be administered by the Ohio housing finance agency using moneys available to it. The program shall not be subject to the income limits established by the agency under section 175.05 of the Revised Code. Participation in the program shall require a graduate to be eligible under division (B) of this section.

(B)(1) A graduate is eligible to participate in the program if the graduate:

(a) Is an Ohio resident who has received an associate, baccalaureate, master's, doctoral, or other postgraduate degree from an institution of higher education within the eighteen months immediately preceding the date of application for the program;

(b) Is able to provide to the agency evidence documenting the graduate's Ohio residency and documenting graduation from a high school and an institution of higher education;

(c) Intends to live and work in this state for at least five years after the graduate's graduation or completion of a degree described in division (B)(1)(a) of this section; and

(d) Intends to purchase a first home in this state.

(2) A graduate who is married to an individual who has previously received a grant or financial assistance or downpayment assistance under the program is ineligible to apply for a grant or assistance under this section.

(C) A graduate who has been found by the state to be delinquent in the payment of individual income taxes is ineligible to receive a grant or other assistance under the program.

(D) A graduate who is eligible for the program shall receive down payment assistance and a reduction in the interest rate of the mortgage offered by the Ohio housing finance agency.

(E) The down payment assistance shall be provided to the recipient when the recipient obtains a qualifying mortgage loan through a participating lender in the agency's first time home buyer program.

Sec. 175.32. (A)(1) At the time a first home is purchased under the program, the Ohio housing finance agency shall secure the amount of the down payment assistance by a lien on the home for a period of five years. Such lien shall attach, and may be perfected, collected, and enforced in the same manner as a mortgage lien on the home, and shall otherwise have the same force and effect as a mortgage lien, except that it shall be subordinate to a mortgage lien securing any money loaned by a financial institution for the purchase of the home.

(2) If the agency finds that a recipient failed to comply with the first home ownership criteria in division (A) of section 175.30 of the Revised Code,

or otherwise used fraudulent information to obtain down payment assistance, the agency shall enforce the lien.

(B)(1) If a recipient becomes a resident of another state and does not reside at least five years in a first home purchased with down payment assistance awarded under the program, the amount of the lien created in division (A) of this section that may be collected shall be determined as follows:

Months resided in first home	Collectable amount as per cent of down payment assistance
Less than 12 months	100%
12 months and a day to 24 months	80%
24 months and a day to 36 months	60%
36 months and a day to 48 months	40%
48 months and a day to 60 months	20%

The lien created under division (A) of this section shall be extinguished upon collection pursuant to this division.

(2) A lien created under division (A)(1) of this section shall be extinguished if the recipient, within the five-year period, moves to another residence located in this state."

Between lines 60630 and 60631, insert:

"**Sec. 3951.01.** As used in sections 3951.01 to 3951.09, inclusive, of the Revised Code:

(A) "Lending institution" means a lending institution, as defined in division ~~(E)~~ (L) of section 175.01 of the Revised Code, that is not organized for the purpose of qualifying to do business as a public insurance adjuster in this state, as determined by the superintendent, and that has been engaged in business as a bona fide lending institution for at least five years, and any member of an affiliated group, as defined by division (B)(3)(e) of section 5739.01 of the Revised Code, associated with a lending institution, which member has been a member of the affiliated group for at least five years and which member is not organized or affiliated with the lending institution for the purpose of qualifying to do business as a public insurance adjuster in this state, as determined by the superintendent.

(B) "Public insurance adjuster" means any person, firm, association, partnership, or corporation who, for compensation, acts on behalf of or aids in any manner, an insurer or insured or another in negotiating for, or effecting the settlement of a claim or claims for loss or damage under any policy of insurance covering real or personal property, and any person, firm, association, partnership, or corporation who advertises, solicits business, or holds itself out to the public as an adjuster of such insurance claims, and any person who for compensation investigates, settles, adjusts, advises, or assists an insurer or insured with reference to claims for such losses, on behalf of any such public insurance adjuster.

(C) "Public insurance adjuster agent" means any person who is a bona fide employee of a public insurance adjuster and who aids in the adjustment,

investigation, and in securing of any contract for the adjustment of a loss.

(D) "Superintendent" means the superintendent of insurance acting as director of the department of insurance.

(E) Nothing contained in Chapter 3951. of the Revised Code shall apply to the following:

(1) An attorney at law admitted to practice in this state who adjusts insurance losses in the course of the practice of the attorney's profession and who does not hold the attorney out by sign, advertisement, or otherwise as offering such services to the general public;

(2) An officer, agent, or regular salaried employee of an insurer, or underwriter, or any attorney in fact of any reciprocal insurer of ~~Lloyds~~ Lloyd's underwriter licensed to do business in this state who adjusts losses arising under the employer's or principal's own policies; or an underwriter by whom a policy of insurance against loss or damage or other causes has been written upon property within this state, in adjusting loss or damage under such policy, nor to an agent or broker acting as adjuster for the agent's or broker's own company;

(3) An adjustment bureau or association owned and maintained by insurers to adjust or investigate losses of such insurers, or any regularly salaried employee thereof who devotes substantially all of the employee's time to the business of such bureau or association;

(4) Any licensed agent or employee or officer of such agent or agency of an authorized insurer who adjusts losses for such insurer solely under policies issued through such agency;

(5) Any independent adjuster representing an insurer."

In line 90811, delete "175.04,"

In line 90876, after "3937.41," insert "3951.01,"

In line 23 of the title, delete "175.04,"

In line 112 of the title, after "3937.41," insert "3951.01,"

In line 191 of the title, delete "175.33,"

In line 192 of the title, delete "175.34, 175.35,"

In line 29667, after "and" insert " , subject to section 2505.122 of the Revised Code,"

In line 29691, after " shall" insert " simultaneously"

In line 29693, delete " such an amount as is determined by the court" and insert " a sum that is equal to the cost of delay, increased cost of construction, legal expenses, loss of anticipated revenues, or the reasonable value of the matter at issue in the final order, adjudication, or decision, including any reasonable investment-backed expectations of the appellee"

Delete lines 103239 through 103244

In line 93177, delete "$40,000,000 $40,000,000" and insert "$53,000,000 $53,000,000"

In line 93179, add $13,000,000 to each fiscal year

In line 93204, add $13,000,000 to each fiscal year

In line 416, after "5748.03," insert "5749.02,"

Between lines 87403 and 87404, insert:

"**Sec. 5749.02.** (A) For the purpose of providing revenue to administer the state's coal mining and reclamation regulatory program, to meet the environmental and resource management needs of this state, and to reclaim land affected by mining, an excise tax is hereby levied on the privilege of engaging in the severance of natural resources from the soil or water of this state. The tax shall be imposed upon the severer and shall be:

(1) Ten cents per ton of coal;

(2) Four cents per ton of salt;

(3) Two cents per ton of limestone or dolomite;

(4) Two cents per ton of sand and gravel;

(5) Ten cents per barrel of oil;

(6) Two and one-half cents per thousand cubic feet of natural gas;

(7) One cent per ton of clay, sandstone or conglomerate, shale, gypsum, or quartzite;

(8) Except as otherwise provided in this division or in rules adopted by the reclamation forfeiture fund advisory board under section 1513.182 of the Revised Code, an additional fourteen cents per ton of coal produced from an area under a coal mining and reclamation permit issued under Chapter 1513. of the Revised Code for which the performance security is provided under division (C)(2) of section 1513.08 of the Revised Code. Beginning July 1, 2007, if at the end of a fiscal biennium the balance of the reclamation forfeiture fund created in section 1513.18 of the Revised Code is equal to or greater than ten million dollars, the rate levied shall be twelve cents per ton. Beginning July 1, 2007, if at the end of a fiscal biennium the balance of the fund is at least five million dollars, but less than ten million dollars, the rate levied shall be fourteen cents per ton. Beginning July 1, 2007, if at the end of a fiscal biennium the balance of the fund is less than five million dollars, the rate levied shall be sixteen cents per ton. Beginning July 1, 2009, not later than thirty days after the close of a fiscal biennium, the chief of the division of mineral resources management shall certify to the tax commissioner the amount of the balance of the reclamation forfeiture fund as of the close of the fiscal biennium. Any necessary adjustment of the rate levied shall take effect on the first day of the following January and

shall remain in effect during the calendar biennium that begins on that date.

(9) An additional one and two-tenths cents per ton of coal mined by surface mining methods.

(B) Of the moneys received by the treasurer of state from the tax levied in division (A)(1) of this section, four and seventy-six-hundredths per cent shall be credited to the geological mapping fund created in section 1505.09 of the Revised Code, eighty and ninety-five-hundredths per cent shall be credited to the coal mining administration and reclamation reserve fund created in section 1513.181 of the Revised Code, and fourteen and twenty-nine-hundredths per cent shall be credited to the unreclaimed lands fund created in section 1513.30 of the Revised Code.

~~Fifteen per cent of the moneys~~ The money received by the treasurer of state from the tax levied in division (A)(2) of this section shall be credited to the geological mapping fund ~~and the remainder shall be credited to the unreclaimed lands fund~~.

Of the moneys received by the treasurer of state from the tax levied in divisions (A)(3) and (4) of this section, seven and five-tenths per cent shall be credited to the geological mapping fund, forty-two and five-tenths per cent shall be credited to the unreclaimed lands fund, and the remainder shall be credited to the surface mining fund created in section 1514.06 of the Revised Code.

Of the moneys received by the treasurer of state from the tax levied in divisions (A)(5) and (6) of this section, ninety per cent shall be credited to the oil and gas well fund created in section 1509.02 of the Revised Code and ten per cent shall be credited to the geological mapping fund. All of the moneys received by the treasurer of state from the tax levied in division (A)(7) of this section shall be credited to the surface mining fund.

All of the moneys received by the treasurer of state from the tax levied in division (A)(8) of this section shall be credited to the reclamation forfeiture fund.

All of the moneys received by the treasurer of state from the tax levied in division (A)(9) of this section shall be credited to the unreclaimed lands fund.

(C) When, at the close of any fiscal year, the chief finds that the balance of the reclamation forfeiture fund, plus estimated transfers to it from the coal mining administration and reclamation reserve fund under section 1513.181 of the Revised Code, plus the estimated revenues from the tax levied by division (A)(8) of this section for the remainder of the calendar year that includes the close of the fiscal year, are sufficient to complete the reclamation of lands for which the performance security has been provided under division (C)(2) of section 1513.08 of the Revised Code, the purposes for which the tax under division (A)(8) of this section is levied shall be deemed accomplished at the end of that calendar year. The chief, within thirty days after the close of the fiscal year, shall certify those findings to the tax commissioner, and the tax levied under division (A)(8) of this section shall cease to be imposed after the last day

of that calendar year on coal produced under a coal mining and reclamation permit issued under Chapter 1513. of the Revised Code if the permittee has made tax payments under division (A)(8) of this section during each of the preceding five full calendar years. Not later than thirty days after the close of a fiscal year, the chief shall certify to the tax commissioner the identity of any permittees who accordingly no longer are required to pay the tax levied under division (A)(8) of this section."

In line 90918, after "5748.03," insert "5749.02,"

In line 168 of the title, after "5748.03," insert "5749.02,"

In line 332, delete "1533.12,"

Delete lines 26557 through 26649

In line 90834, delete "1533.12,"

In line 53 of the title, delete "1533.12,"

In line 432, after "173.501," insert "173.70,"

Between lines 16638 and 16639, insert:

" **Sec. 173.70.** (A) The director of aging may enter into a contract with any person under which the person operates a program for the provision of outpatient prescription drug discounts to any or all of the following:

(1) Individuals who are sixty years of age or older;

(2) Individuals whose family incomes do not exceed three hundred per cent of the federal poverty guidelines, as revised annually by the United States department of health and human services in accordance with section 673(2) of the "Omnibus Budget Reconciliation Act of 1981," 95 Stat. 511, 42 U.S.C. 9902, as amended;

(3) Individuals who are persons with disabilities, as defined in section 173.06 of the Revised Code.

(B) The director may disclose to the person under contract information that identifies the individuals who participated in and individuals who applied for participation in the Ohio's best Rx program that was operated under former sections 173.71 to 173.91 of the Revised Code."

Delete lines 92102 through 92128 and insert:

"On and after the effective date of this section, the Director of Aging may take any actions necessary to conclude the operation of the Ohio's Best Rx Program and settle all accounts with drug manufacturers and terminal distributors of dangerous drugs that had program agreements in effect on the day before the effective date of this section. As appropriate, the Director's actions shall be taken in accordance with the provisions of former sections 173.71 to 173.91 of the Revised Code, as those sections existed on the day before the effective date of this section. The Director shall make every effort to conclude

the program by the thirtieth day after the effective date of this section, but any program accounts with drug manufacturers and terminal distributors that remain open after that date may be settled until October 1, 2009."

In line 92131, delete "January 1, 2010" and insert "the thirty-first day after the effective date of this section"

In line 92134, after the period insert "Fund 5AA0 shall remain open after the transfer to allow program accounts to be settled with drug manufacturers and terminal distributors pursuant to this section. On October 1, 2009, or as soon as possible thereafter, the Director of Budget and Management shall complete the final transfer of any cash balance in Fund 5AA0 to the General Revenue Fund."

In line 106481, delete "173.99, 2921.13,"

In line 106482, delete the first comma

Delete lines 106497 through 106506

In line 106522, after "145.298," insert "173.70, 173.71, 173.72, 173.721, 173.722, 173.723, 173.724, 173.73, 173.731, 173.732, 173.74, 173.741, 173.742, 173.75, 173.751, 173.752, 173.753, 173.76, 173.77, 173.771, 173.772, 173.773, 173.78, 173.79, 173.791, 173.80, 173.801, 173.802, 173.803, 173.81, 173.811, 173.812, 173.813, 173.814, 173.815, 173.82, 173.83, 173.831, 173.832, 173.833, 173.84, 173.85, 173.86, 173.861, 173.87, 173.871, 173.872, 173.873, 173.874, 173.875, 173.876, 173.88, 173.89, 173.891, 173.892, 173.90, 173.91, 173.99,"

In line 106538, after "1541.03," insert "2921.13,"

Between lines 106588f and 106589, insert:

127.16	The amendment to division (D)(34)	All other amendments

Delete lines 106596 through 106601

In line 191 of the title, after "173.501," insert "173.70,"

Delete lines 98761 through 98770

In line 387, after "4582.33," insert "4709.12,"

Between lines 68654 and 68655, insert:

"**Sec. 4709.12.** (A) The barber board shall charge and collect the following fees:

(1) For the application to take the barber examination, ninety dollars;

(2) For an application to retake any part of the barber examination, forty-five dollars;

(3) For the initial issuance of a license to practice as a barber, thirty dollars;

(4) For the biennial renewal of the license to practice as a barber, one hundred ten dollars;

(5) For the restoration of an expired barber license, one hundred dollars, and seventy-five dollars for each lapsed year, provided that the total fee shall not exceed six hundred ninety dollars;

(6) For the issuance of a duplicate barber or shop license, forty-five dollars;

(7) For the inspection of a new barber shop, change of ownership, or reopening of premises or facilities formerly operated as a barber shop, and issuance of a shop license, one hundred ten dollars;

(8) For the biennial renewal of a barber shop license, seventy-five dollars;

(9) For the restoration of a barber shop license, one hundred ten dollars;

(10) For each inspection of premises for location of a new barber school, or each inspection of premises for relocation of a currently licensed barber school, seven hundred fifty dollars;

(11) For the initial barber school license, one thousand dollars, and one thousand dollars for the renewal of the license;

(12) For the restoration of a barber school license, one thousand dollars;

(13) For the issuance of a student registration, forty dollars;

(14) For the examination and issuance of a biennial teacher license, one hundred eighty-five dollars;

(15) For the renewal of a biennial teacher license, one hundred fifty dollars;

(16) For the restoration of an expired teacher license, two hundred twenty-five dollars, and sixty dollars for each lapsed year, provided that the total fee shall not exceed four hundred fifty dollars;

(17) For the issuance of a barber license by reciprocity pursuant to section 4709.08 of the Revised Code, three hundred dollars;

(18) For providing licensure information concerning an applicant, upon written request of the applicant, forty dollars.

(B) The board, subject to the approval of the controlling board, may establish fees in excess of the amounts provided in this section, provided that the fees do not exceed the amounts permitted by this section by more than fifty per cent.

(C) In addition to any other fee charged and collected under this section, the barber board shall ask each person renewing a license to practice as a barber whether the person wishes to make a two-dollar voluntary contribution to the Ed Jeffers barber museum. The board shall transmit any contributions to the treasurer of state for deposit into the occupational licensing fund."

In line 90889, after "4582.33," insert "4709.12,"

Between lines 92514 and 92516, insert:

"ED JEFFERS BARBER MUSEUM

On October 1, 2009, or as soon as possible thereafter, the Director of Budget and Management and the Executive Director of the Barber Board shall develop a plan to distribute the amounts collected under division (C) of section 4709.12 of the Revised Code to the Ed Jeffers Barber Museum."

In line 130 of the title, after "4582.33," insert "4907.12,"

In line 412, after "5725.98," insert "5727.81,"

Between lines 82822 and 82823, insert:

"**Sec. 5727.81.** (A) For the purpose of raising revenue for public education and state and local government operations, an excise tax is hereby levied and imposed on an electric distribution company for all electricity distributed by such company at the following rates per kilowatt hour of electricity distributed in a thirty-day period by the company through a meter of an end user in this state:

KILOWATT HOURS DISTRIBUTED TO AN END USER	RATE PER KILOWATT HOUR
For the first 2,000	$.00465
For the next 2,001 to 15,000	$.00419
For 15,001 and above	$.00363

If no meter is used to measure the kilowatt hours of electricity distributed by the company, the rates shall apply to the estimated kilowatt hours of electricity distributed to an unmetered location in this state.

The electric distribution company shall base the monthly tax on the kilowatt hours of electricity distributed to an end user through the meter of the end user that is not measured for a thirty-day period by dividing the days in the measurement period into the total kilowatt hours measured during the measurement period to obtain a daily average usage. The tax shall be determined by obtaining the sum of divisions (A)(1), (2), and (3) of this section and multiplying that amount by the number of days in the measurement period:

(1) Multiplying $0.00465 per kilowatt hour for the first sixty-seven kilowatt hours distributed using a daily average;

(2) Multiplying $0.00419 for the next sixty-eight to five hundred kilowatt hours distributed using a daily average;

(3) Multiplying $0.00363 for the remaining kilowatt hours distributed using a daily average.

Except as provided in division (C) of this section, the electric distribution company shall pay the tax to the tax commissioner in accordance with section 5727.82 of the Revised Code, unless required to remit each tax payment by electronic funds transfer to the treasurer of state in accordance with section

5727.83 of the Revised Code.

Only the distribution of electricity through a meter of an end user in this state shall be used by the electric distribution company to compute the amount or estimated amount of tax due. In the event a meter is not actually read for a measurement period, the estimated kilowatt hours distributed by an electric distribution company to bill for its distribution charges shall be used.

(B) Except as provided in division (C) of this section, each electric distribution company shall pay the tax imposed by this section in all of the following circumstances:

(1) The electricity is distributed by the company through a meter of an end user in this state;

(2) The company is distributing electricity through a meter located in another state, but the electricity is consumed in this state in the manner prescribed by the tax commissioner;

(3) The company is distributing electricity in this state without the use of a meter, but the electricity is consumed in this state as estimated and in the manner prescribed by the tax commissioner.

(C)(1) As used in division (C) of this section:

(a) "Total price of electricity" means the aggregate value in money of anything paid or transferred, or promised to be paid or transferred, to obtain electricity or electric service, including but not limited to the value paid or promised to be paid for the transmission or distribution of electricity and for transition costs as described in Chapter 4928. of the Revised Code.

(b) "Package" means the provision or the acquisition, at a combined price, of electricity with other services or products, or any combination thereof, such as natural gas or other fuels; energy management products, software, and services; machinery and equipment acquisition; and financing agreements.

(c) "Single location" means a facility located on contiguous property separated only by a roadway, railway, or waterway.

(2) Division (C) of this section applies to any commercial or industrial purchaser's receipt of electricity through a meter of an end user in this state or through more than one meter at a single location in this state in a quantity that exceeds forty-five million kilowatt hours of electricity over the course of the preceding calendar year, or any commercial or industrial purchaser that will consume more than forty-five million kilowatt hours of electricity over the course of the succeeding twelve months as estimated by the tax commissioner. The tax commissioner shall make such an estimate upon the written request by an applicant for registration as a self-assessing purchaser under this division. ~~Such~~ For the meter reading period including July 1, 2008, through the meter reading period including December 31, 2010, such a purchaser may elect to self-assess the excise tax imposed by this section at the rate of $.00075 per

kilowatt hour on the first five hundred four million kilowatt hours distributed to that meter or location during the registration year, and a percentage of the total price of all electricity distributed to that meter or location equal to ~~four per cent through the meter reading period that includes June 30, 2008, and~~ three and one-half per cent ~~beginning for the meter reading period including July 1, 2008, and thereafter~~. ~~A~~ For the meter reading period including January 1, 2011, and thereafter, such a purchaser may elect to self-assess the excise tax imposed by this section at the rate of $.00257 per kilowatt hour for the first five hundred million kilowatt hours, and $.001832 per kilowatt hour for each kilowatt hour in excess of five hundred million kilowatt hours, distributed to that meter or location during the registration year.

A qualified end user that receives electricity through a meter of an end user in this state or through more than one meter at a single location in this state and that consumes, over the course of the previous calendar year, more than forty-five million kilowatt hours in other than its qualifying manufacturing process, may elect to self-assess the tax as allowed by this division with respect to the electricity used in other than its qualifying manufacturing process.

Payment of the tax shall be made directly to the tax commissioner in accordance with divisions (A)(4) and (5) of section 5727.82 of the Revised Code, or the treasurer of state in accordance with section 5727.83 of the Revised Code. If the electric distribution company serving the self-assessing purchaser is a municipal electric utility and the purchaser is within the municipal corporation's corporate limits, payment shall be made to such municipal corporation's general fund and reports shall be filed in accordance with divisions (A)(4) and (5) of section 5727.82 of the Revised Code, except that "municipal corporation" shall be substituted for "treasurer of state" and "tax commissioner." A self-assessing purchaser that pays the excise tax as provided in this division shall not be required to pay the tax to the electric distribution company from which its electricity is distributed. If a self-assessing purchaser's receipt of electricity is not subject to the tax as measured under this division, the tax on the receipt of such electricity shall be measured and paid as provided in division (A) of this section.

(3) In the case of the acquisition of a package, unless the elements of the package are separately stated isolating the total price of electricity from the price of the remaining elements of the package, the tax imposed under this section applies to the entire price of the package. If the elements of the package are separately stated, the tax imposed under this section applies to the total price of the electricity.

(4) Any electric supplier that sells electricity as part of a package shall separately state to the purchaser the total price of the electricity and, upon request by the tax commissioner, the total price of each of the other elements of the package.

(5) The tax commissioner may adopt rules relating to the computation of the total price of electricity with respect to self-assessing purchasers, which may

include rules to establish the total price of electricity purchased as part of a package.

(6) An annual application for registration as a self-assessing purchaser shall be made for each qualifying meter or location on a form prescribed by the tax commissioner. The registration year begins on the first day of May and ends on the following thirtieth day of April. Persons may apply after the first day of May for the remainder of the registration year. In the case of an applicant applying on the basis of an estimated consumption of forty-five million kilowatt hours over the course of the succeeding twelve months, the applicant shall provide such information as the tax commissioner considers to be necessary to estimate such consumption. At the time of making the application and by the first day of May of each year, a self-assessing purchaser shall pay a fee of five hundred dollars to the tax commissioner, or to the treasurer of state as provided in section 5727.83 of the Revised Code, for each qualifying meter or location. The tax commissioner shall immediately pay to the treasurer of state all amounts that the tax commissioner receives under this section. The treasurer of state shall deposit such amounts into the kilowatt hour excise tax administration fund, which is hereby created in the state treasury. Money in the fund shall be used to defray the tax commissioner's cost in administering the tax owed under section 5727.81 of the Revised Code by self-assessing purchasers. After the application is approved by the tax commissioner, the registration shall remain in effect for the current registration year, or until canceled by the registrant upon written notification to the commissioner of the election to pay the tax in accordance with division (A) of this section, or until canceled by the tax commissioner for not paying the tax or fee under division (C) of this section or for not meeting the qualifications in division (C)(2) of this section. The tax commissioner shall give written notice to the electric distribution company from which electricity is delivered to a self-assessing purchaser of the purchaser's self-assessing status, and the electric distribution company is relieved of the obligation to pay the tax imposed by division (A) of this section for electricity distributed to that self-assessing purchaser until it is notified by the tax commissioner that the self-assessing purchaser's registration is canceled. Within fifteen days of notification of the canceled registration, the electric distribution company shall be responsible for payment of the tax imposed by division (A) of this section on electricity distributed to a purchaser that is no longer registered as a self-assessing purchaser. A self-assessing purchaser with a canceled registration must file a report and remit the tax imposed by division (A) of this section on all electricity it receives for any measurement period prior to the tax being reported and paid by the electric distribution company. A self-assessing purchaser whose registration is canceled by the tax commissioner is not eligible to register as a self-assessing purchaser for two years after the registration is canceled.

(7) If the tax commissioner cancels the self-assessing registration of a purchaser registered on the basis of its estimated consumption because the purchaser does not consume at least forty-five million kilowatt hours of electricity over the course of the twelve-month period for which the estimate was

made, the tax commissioner shall assess and collect from the purchaser the difference between (a) the amount of tax that would have been payable under division (A) of this section on the electricity distributed to the purchaser during that period and (b) the amount of tax paid by the purchaser on such electricity pursuant to division (C)(2) ~~(a)~~ of this section. The assessment shall be paid within sixty days after the tax commissioner issues it, regardless of whether the purchaser files a petition for reassessment under section 5727.89 of the Revised Code covering that period. If the purchaser does not pay the assessment within the time prescribed, the amount assessed is subject to the additional charge and the interest prescribed by divisions (B) and (C) of section 5727.82 of the Revised Code, and is subject to assessment under section 5727.89 of the Revised Code. If the purchaser is a qualified end user, division (C)(7) of this section applies only to electricity it consumes in other than its qualifying manufacturing process.

(D) The tax imposed by this section does not apply to the distribution of any kilowatt hours of electricity to the federal government, to an end user located at a federal facility that uses electricity for the enrichment of uranium, to a qualified regeneration meter, or to an end user for any day the end user is a qualified end user. The exemption under this division for a qualified end user only applies to the manufacturing location where the qualified end user uses more than three million kilowatt hours per day in a qualifying manufacturing process."

In line 90915, after "5725.98," insert "5727.81,"

In line 163 of the title, after "5725.98," insert "5727.81,"

In line 325, delete "1515.14,"

In line 332, delete "1739.05,"

In line 2083, reinsert "under division"; delete " and shall comply with divisions"; delete " (a)"

In line 2084, delete " and (c)"

In line 2088, strike through "under division" and insert " and shall comply with divisions"; after "(2)" insert " (a) and (c)"

In line 11374, delete " department of education who works at the"

In line 16591, delete the quotation marks

In line 17935, delete " worldwide" and insert " world wide"

Delete lines 23974 through 23998

Delete lines 27283 through 27314

In line 35587, delete " 80.24" and insert " 361.60 and 361.62"

In line 39414, after "Code" insert an underlined comma

In line 42967, after " sections" insert " 3301.074 and"; delete " and

3301.074"

In line 47879, delete " and providing" and insert " that provides"

In line 47881, delete " providing" and insert " and that provides"

In line 47883, delete " providing" and insert " that provides"

In line 49097, delete " operate" and insert " are operated"

In line 49839, delete " mental retardation"

In line 49840, delete " and"

In line 49845, delete " mental retardation and"

In line 49852, delete " mental"

In line 49853, delete " retardation and"

In line 49858, delete " mental retardation and"

In line 55218, remove the extra spacing between "Code" and the period

In line 70306, strike through "(F)" and insert " (E)"

In line 75715, delete " mental retardation and"

In line 78382, delete " ODMR/DD" and insert " department of developmental disabilities"

In line 78392, delete " mental"

In line 78393, delete " retardation and"

In line 79401, delete " mental retardation and"

In line 79408, delete " mental retardation"

In line 79409, delete " and"

In line 79418, delete " mental retardation and"

In line 79571, delete " mental retardation and"

In line 79581, delete " mental retardation and"

In line 90827, delete "1515.14,"

In line 90834, delete "1739.05,"

In line 91393, delete "100417" and insert "100423"

In line 91393a, delete "-Federal"

Move lines 91393 and 91393a as amended to between lines 91396a and 91397

In line 94489, delete "mental"

In line 94490, delete "retardation and"

In line 94508, delete "mental retardation and"

In line 96634, delete "Mental Retardation and"

In line 96642, delete "Mental"

In line 96643, delete "Retardation and"

In line 97490, delete "Mental Retardation and"

In line 97540, delete "(A)" and insert "ASSET MANAGEMENT SERVICE STUDY

(A)"

In line 98035, delete "MENTAL RETARDATION AND"

In line 98039, delete "Mental"

In line 98040, delete "Retardation and"

In line 98049, delete "Mental"

In line 98050, delete "Retardation and"

In line 99151, delete "$7,460,000" and insert "$7,460,800"

In line 99289, delete "MENTAL RETARDATION AND"

In line 99336, delete "Mental Retardation and"

In line 99342, delete "Mental Retardation and"

In line 99353, delete "Mental Retardation and"

In line 99367, delete "Mental Retardation and"

In line 99373, delete "Mental"

In line 99374, delete "Retardation and"

In line 99393, delete "Mental Retardation and"

In line 99394, delete "mental retardation and"

In line 99408, delete "Mental Retardation and"

In line 99411, delete "mental retardation and"

In line 99419, delete "Mental Retardation and"

In line 99422, delete "Mental Retardation and"

In line 99436, delete "Mental Retardation and"

In line 99439, delete "mental retardation and"

In line 99457, delete "Mental"

In line 99458, delete "Retardation and"

In line 99465, delete "Services/Mental Retardation" and insert "Services"

In line 99466, delete "Mental Retardation and"

In line 99474, delete "Mental Retardation and"

In line 99487, delete "mental retardation and"

In line 99489, delete "Mental Retardation and"

In line 99490, delete "Mental Retardation and"

In line 99494, delete "Mental Retardation and"

In line 99496, delete "Mental"

In line 99497, delete "Retardation and"

In line 99505, delete "Mental Retardation and"

In line 99509, delete "Mental Retardation and"

In line 99516, delete "Mental Retardation"

In line 99517, delete "and"

In line 99524, delete "Mental Retardation and"

In line 99533, delete "Mental"

In line 99534, delete "Retardation and"

In line 99535, delete "Mental Retardation" and insert "Developmental Disabilities"

In line 99544, delete "Mental Retardation and"

In line 99555, delete "mental retardation and"

In line 100045, delete "Quarterhorse" and insert "Quarter Horse"

In line 101315, delete "SSI" and insert "State Share of Instruction"

In line 105615, delete "AND"

In line 105776, delete "Mental Retardation and"

In line 105777, delete "Mental Retardation and"

In line 105980, after "Disabilities" insert "(now the Department of Developmental Disabilities)"

In line 106000, delete "Mental Retardation and"

In line 106532, delete "1515.14,"

In line 106533, after "1521.04," insert "1521.06,"

In line 106560, delete "512.40,"

Delete lines 106590 through 106590b

Between lines 106591e and 106592, insert:

"3302.031	All amendments except those described in the right-hand column	The amendments to division (A)"

Between lines 106592c and 106593, insert:

"3317.01	The amendments to division (B)	All other amendments
3319.088	The amendments to the second paragraph of division (C)	All other amendments"

In line 43 of the title, delete "1515.14,"

In line 54 of the title, delete "1739.05,"

In line 360, after "3705.03," insert "3705.24,"

Between lines 49913 and 49914, insert:

"**Sec. 3705.24.** (A)(1) The public health council shall, in accordance with section 111.15 of the Revised Code, adopt rules prescribing fees for the following items or services provided by the state office of vital statistics:

(a) Except as provided in division (A)(4) of this section:

(i) A certified copy of a vital record or a certification of birth;

(ii) A search by the office of vital statistics of its files and records pursuant to a request for information, regardless of whether a copy of a record is provided;

(iii) A copy of a record provided pursuant to a request ~~;~~ .

(b) Replacement of a birth certificate following an adoption, legitimation, paternity determination or acknowledgement, or court order;

(c) Filing of a delayed registration of a vital record;

(d) Amendment of a vital record that is requested later than one year after the filing date of the vital record;

(e) Any other documents or services for which the public health council considers the charging of a fee appropriate.

(2) Fees prescribed under division (A)(1)(a) of this section shall not be less than ~~seven~~ twelve dollars.

(3) Fees prescribed under division (A)(1) of this section shall be collected in addition to any fees required by sections 3109.14 and 3705.242 of the Revised Code.

(4) Fees prescribed under division (A) of this section shall not apply to certifications issued under division (H) of this section or copies provided under section 3705.241 of the Revised Code.

(B) In addition to the fees prescribed under division (A) of this section or section 3709.09 of the Revised Code, the office of vital statistics or the board of health of a city or general health district shall charge a five-dollar fee for each

certified copy of a vital record and each certification of birth. This fee shall be deposited in the general operations fund created under section 3701.83 of the Revised Code and be used to support the operations, the modernization, and the automation of the vital records program in this state. A board of health shall forward all fees collected under this division to the department of health not later than thirty days after the end of each calendar quarter.

(C) Except as otherwise provided in division (H) of this section, and except as provided in section 3705.241 of the Revised Code, fees collected by the director of health under sections 3705.01 to 3705.29 of the Revised Code shall be paid into the state treasury to the credit of the general operations fund created by section 3701.83 of the Revised Code. Except as provided in division (B) or (I) of this section, money generated by the fees shall be used only for administration and enforcement of this chapter and the rules adopted under it. Amounts submitted to the department of health for copies of vital records or services in excess of the fees imposed by this section shall be dealt with as follows:

(1) An overpayment of two dollars or less shall be retained by the department and deposited in the state treasury to the credit of the general operations fund created by section 3701.83 of the Revised Code.

(2) An overpayment in excess of two dollars shall be returned to the person who made the overpayment.

(D) If a local registrar is a salaried employee of a city or a general health district, any fees the local registrar receives pursuant to section 3705.23 of the Revised Code shall be paid into the general fund of the city or the health fund of the general health district.

Each local registrar of vital statistics, or each health district where the local registrar is a salaried employee of the district, shall be entitled to a fee for each birth, fetal death, death, or military service certificate properly and completely made out and registered with the local registrar or district and correctly copied and forwarded to the office of vital statistics in accordance with the population of the primary registration district at the last federal census. The fee for each birth, fetal death, death, or military service certificate shall be:

(1) In primary registration districts of over two hundred fifty thousand, twenty cents;

(2) In primary registration districts of over one hundred twenty-five thousand and less than two hundred fifty thousand, sixty cents;

(3) In primary registration districts of over fifty thousand and less than one hundred twenty-five thousand, eighty cents;

(4) In primary registration districts of less than fifty thousand, one dollar.

(E) The director of health shall annually certify to the county treasurers of the several counties the number of birth, fetal death, death, and military

service certificates registered from their respective counties with the names of the local registrars and the amounts due each registrar and health district at the rates fixed in this section. Such amounts shall be paid by the treasurer of the county in which the registration districts are located. No fees shall be charged or collected by registrars except as provided by this chapter and section 3109.14 of the Revised Code.

(F) A probate judge shall be paid a fee of fifteen cents for each certified abstract of marriage prepared and forwarded by the probate judge to the department of health pursuant to section 3705.21 of the Revised Code. The fee shall be in addition to the fee paid for a marriage license and shall be paid by the applicants for the license.

(G) The clerk of a court of common pleas shall be paid a fee of one dollar for each certificate of divorce, dissolution, and annulment of marriage prepared and forwarded by the clerk to the department pursuant to section 3705.21 of the Revised Code. The fee for the certified abstract of divorce, dissolution, or annulment of marriage shall be added to the court costs allowed in these cases.

(H) The fee for an heirloom certification of birth issued pursuant to division (B)(2) of section 3705.23 of the Revised Code shall be an amount prescribed by rule by the director of health plus any fee required by section 3109.14 of the Revised Code. In setting the amount of the fee, the director shall establish a surcharge in addition to an amount necessary to offset the expense of processing heirloom certifications of birth. The fee prescribed by the director of health pursuant to this division shall be deposited into the state treasury to the credit of the heirloom certification of birth fund which is hereby created. Money credited to the fund shall be used by the office of vital statistics to offset the expense of processing heirloom certifications of birth. However, the money collected for the surcharge, subject to the approval of the controlling board, shall be used for the purposes specified by the family and children first council pursuant to section 121.37 of the Revised Code.

(I) Four dollars of each fee collected by the director of health or the board of health of a city or general health district for an item or service described in division (A)(1)(a) of this section shall be transferred to the office of vital statistics not later than thirty days after the end of each calendar quarter and shall be used to support public health systems."

In line 90862, after "3705.03," insert "3705.24,"

In line 92 of the title, after "3705.03," insert "3705.24,"

In line 298, after "121.402," insert "122.011,"

Between lines 6564 and 6565, insert:

"**Sec. 122.011.** (A) The department of development shall develop and promote plans and programs designed to assure that state resources are efficiently used, economic growth is properly balanced, community growth is developed in an orderly manner, and local governments are coordinated with

each other and the state, and for such purposes may do all of the following:

(1) Serve as a clearinghouse for information, data, and other materials that may be helpful or necessary to persons or local governments, as provided in section 122.07 of the Revised Code;

(2) Prepare and activate plans for the retention, development, expansion, and use of the resources and commerce of the state, as provided in section 122.04 of the Revised Code;

(3) Assist and cooperate with federal, state, and local governments and agencies of federal, state, and local governments in the coordination of programs to carry out the functions and duties of the department;

(4) Encourage and foster research and development activities, conduct studies related to the solution of community problems, and develop recommendations for administrative or legislative actions, as provided in section 122.03 of the Revised Code;

(5) Serve as the economic and community development planning agency, which shall prepare and recommend plans and programs for the orderly growth and development of this state and which shall provide planning assistance, as provided in section 122.06 of the Revised Code;

(6) Cooperate with and provide technical assistance to state departments, political subdivisions, regional and local planning commissions, tourist associations, councils of government, community development groups, community action agencies, and other appropriate organizations for carrying out the functions and duties of the department or for the solution of community problems;

(7) Coordinate the activities of state agencies that have an impact on carrying out the functions and duties of the department;

(8) Encourage and assist the efforts of and cooperate with local governments to develop mutual and cooperative solutions to their common problems that relate to carrying out the purposes of this section;

(9) Study existing structure, operations, and financing of regional or local government and those state activities that involve significant relations with regional or local governmental units, recommend to the governor and to the general assembly such changes in these provisions and activities as will improve the operations of regional or local government, and conduct other studies of legal provisions that affect problems related to carrying out the purposes of this section;

(10) Create and operate a division of community development to develop and administer programs and activities that are authorized by federal statute or the Revised Code;

(11) Until October 15, 2007, establish fees and charges, in consultation with the director of agriculture, for purchasing loans from financial institutions

and providing loan guarantees under the family farm loan program created under sections 901.80 to 901.83 of the Revised Code;

(12) Provide loan servicing for the loans purchased and loan guarantees provided under section 901.80 of the Revised Code as that section existed prior to October 15, 2007;

(13) Until October 15, 2007, and upon approval by the controlling board under division (A)(3) of section 901.82 of the Revised Code of the release of money to be used for purchasing a loan or providing a loan guarantee, request the release of that money in accordance with division (B) of section 166.03 of the Revised Code for use for the purposes of the fund created by section 166.031 of the Revised Code.

(14) Allocate that portion of the national recovery zone economic development bond limitation and that portion of the national recovery zone facility bond limitation that has been allocated to the state under section 1400U-1 of the Internal Revenue Code, 26 U.S.C. 1400U-1. If any county or municipal corporation waives any portion of an allocation it receives under division (A)(14) of this section, the department may reallocate that amount. Any allocation or reallocation shall be made in accordance with this section and section 1400U-1 of the Internal Revenue Code.

(B) The director of development may request the attorney general to, and the attorney general, in accordance with section 109.02 of the Revised Code, shall bring a civil action in any court of competent jurisdiction. The director may be sued in the director's official capacity, in connection with this chapter, in accordance with Chapter 2743. of the Revised Code."

In line 90800, after "121.402," insert "122.011,"

In line 106519, after "121.402," insert "122.011,"

In line 8 of the title, after "121.402," insert "122.011,"

In line 11523, after " receive" insert " the lesser of either"

In line 11524, after " a" insert " one-time"

In line 11526, after " moratorium" insert " established"; after " under" insert " either"

In line 11527, delete " , whichever is less" and insert " or pursuant to a rule of the director of administrative services"

In line 10778, after " section" insert " 124.138 or"

In line 10784, after " receive" insert " the lesser of either"

In line 10787, after " moratorium" insert " established"; after " under" insert " either"

In line 10788, delete " , whichever is less" and insert " or pursuant to a rule of the director of administrative services"

In line 308, after "166.07," insert "166.11,"

Between lines 15705 and 15706, insert:

"**Sec. 166.11.** (A) The aggregate principal amount of project financing obligations that may be issued under section 166.08 of the Revised Code is three hundred million dollars, plus the principal amount of such project financing obligations retired by payments. The aggregate principal amount of obligations, exclusive of project financing obligations, that may be issued under section 166.08 of the Revised Code is six hundred thirty million dollars, plus the principal amount of any such obligations retired by payment, the amounts held or obligations pledged for the payment of the principal amount of any such obligations outstanding, amounts in special funds held as reserves to meet bond service charges, and amounts of obligations issued to provide moneys required to meet payments from the loan guarantee fund created in section 166.06 of the Revised Code and the innovation Ohio loan guarantee fund created in section 166.15 of the Revised Code. Of that six hundred thirty million dollars, not more than eighty-four million principal amount of obligations may be issued for eligible advanced energy projects and not more than one hundred million principal amount of obligations may be issued for eligible logistics and distribution projects. The terms of the obligations issued under section 166.08 of the Revised Code, other than obligations issued to meet guarantees that cannot be satisfied from amounts then held in the loan guarantee fund or the innovation Ohio loan guarantee fund, shall be such that the aggregate amount of moneys used from profit from the sale of spirituous liquor, and not from other sources, in any fiscal year shall not exceed sixty-three million dollars. For purposes of the preceding sentence, "other sources" include the annual investment income on special funds to the extent it will be available for payment of any bond service charges in lieu of use of profit from the sale of spirituous liquor, and shall be estimated on the basis of the expected funding of those special funds and assumed investment earnings thereon at a rate equal to the weighted average yield on investments of those special funds determined as of any date within sixty days immediately preceding the date of issuance of the bonds in respect of which the determination is being made. Amounts received in any fiscal year under section 6341 of the Internal Revenue Code, 26 U.S.C. 6341, shall not be included when determining the sixty-three million dollar limit. The determinations required by this division shall be made by the treasurer of state at the time of issuance of an issue of obligations and shall be conclusive for purposes of such issue of obligations from and after their issuance and delivery.

(B) The aggregate amount of the guaranteed portion of the unpaid principal of loans guaranteed under sections 166.06 and 166.15 of the Revised Code and the unpaid principal of loans made under sections 166.07, 166.16, and 166.21 of the Revised Code may not at any time exceed eight hundred million dollars. Of that eight hundred million dollars, the aggregate amount of the guaranteed portion of the unpaid principal of loans guaranteed under sections 166.06 and 166.15 of the Revised Code shall not at any time exceed two hundred million dollars. However, the limitations established under this division do not

apply to loans made with proceeds from the issuance and sale of project financing obligations."

In line 90810, after "166.07," insert "166.11,"

In line 106522, after "145.298," insert "166.11,"

In line 20 of the title, after "166.07," insert "166.11,"

In line 370, after "3737.71," insert "3745.015,"

In line 23998, after "3714.073" insert " and division (A)(5) of section 3734.57"

In line 55218, after "Code" insert " ;

(4) An additional one dollar per ton on and after August 1, 2009, through June 30, 2012, the proceeds of which shall be deposited in the state treasury to the credit of the environmental protection fund;

(5) An additional twenty-five cents per ton on and after August 1, 2009, through June 30, 2012, the proceeds of which shall be deposited in the state treasury to the credit of the soil and water conservation district assistance fund created in section 1515.14 of the Revised Code"

Between lines 56185 and 56186, insert:

"**Sec. 3745.015.** There is hereby created in the state treasury the environmental protection fund consisting of money credited to the fund under ~~division~~ divisions (A)(3) and (4) of section 3734.57 of the Revised Code. The environmental protection agency shall use money in the fund to pay the agency's costs associated with administering and enforcing, or otherwise conducting activities under, this chapter and Chapters 3704., 3734., 3746., 3747., 3748., 3750., 3751., 3752., 3753., 5709., 6101., 6103., 6105., 6109., 6111., 6112., 6113., 6115., 6117., and 6119. and sections 122.65 and 1521.19 of the Revised Code."

In line 90872, after "3737.71," insert "3745.015,"

In line 96281, delete "$690,322 $690,322" and insert "$741,000 $741,000"

In line 96282, delete "$1,026,369 $1,026,369" and insert "$1,827,000 $2,035,000"

In line 96283, delete "$8,997,413 $8,997,413" and insert "$13,034,000 $13,198,000"

In line 96284, delete "$1,093,741 $1,093,741" and insert "$1,594,000 $1,594,000"

In line 96285, delete "$5,199,290 $5,199,290" and insert "$7,269,000 $7,607,000"

In line 96286, delete "$2,550,250 $2,550,250" and insert "$3,838,000

$3,838,000"

In line 96287, delete "$100,847 $100,847" and insert "$116,000 $116,000"

In line 96288, delete "$700,302 $700,302" and insert "$775,000 $775,000"

In line 96289, delete "$1,216,333 $1,216,333" and insert "$1,454,000 $1,454,000"

In line 96290, delete "$1,179,775 $1,179,775" and insert "$1,180,000 $1,180,000"

In line 96307, delete "$134,505,201 $134,960,492" and insert "$143,578,559 $144,743,850"

In line 96311, delete "$190,359,657 $188,987,875" and insert "$199,433,014 $198,771,232"

In line 99668, delete "$15,104,906" and insert "$18,104,906"

In line 99677, add $3,000,000 to fiscal year 2011

In line 99708, add $3,000,000 to fiscal year 2011

In line 106543, after "3718.03," insert "3745.015,"

In line 106 of the title, after "3737.71," insert "3745.015,"

Between lines 96085a and 96086, insert:

"8140 995674 Cost Savings Days $200,000,000 $200,000,000"

In line 96086, add $200,000,000 to each fiscal year

In line 96087, add $200,000,000 to each fiscal year

Between lines 96159 and 96160, insert:

"COST SAVINGS DAYS

The foregoing appropriation item, 995674, Cost Savings Days, shall be used by the Director of Budget and Management in accordance with division (E) of section 124.392 of the Revised Code to pay employees who participated in a mandatory cost savings program, or to reimburse employees who did not fully participate in a mandatory cost savings program by the close of each fiscal year. Notwithstanding any provision of law to the contrary, in fiscal year 2010 and fiscal year 2011, the Director may transfer agency savings achieved from the use of a mandatory cost savings program to the General Revenue Fund or any other fund as deemed necessary by the Director. The Director may make temporary transfers from the General Revenue Fund to ensure sufficient balances in the Cost Savings Fund and may reimburse the General Revenue Fund for such transfers. If the Director determines that additional amounts are necessary for these purposes, the amounts are hereby appropriated."

In line 91967, after "Health" insert "for training for adult care facilities serving residents with mental illness"

In line 430, after "131.38," insert "133.022,"

Between lines 12810 and 12811, insert:

" **Sec. 133.022.** (A) As used in this section:

(1) "Large local educational agency" and "qualified school construction bond" have the same meaning as in section 54F of the Internal Revenue Code, 26 U.S.C. 54F.

(2) "National limit" means, as applicable, the limitation on the aggregate amount of qualified school construction bonds that may be issued by the states each calendar year under section 54F of the Internal Revenue Code.

(3) "State portion" means the portion of the national limit allocated to this state pursuant to section 54F of the Internal Revenue Code.

(B)(1) To provide for the orderly and prompt issuance of qualified school construction bonds, the Ohio school facilities commission, in consultation with the director of budget and management, shall allocate the state portion among those issuers authorized to issue qualified school construction bonds. The Ohio school facilities commission may also accept from any large local educational agency the allocation received by that agency under section 54F(d)(2) of the Internal Revenue Code and reallocate it to any issuer or issuers authorized to issue obligations, including any large local educational agency.

(2) The factors to be considered when making allocations of the state portion or reallocations of any amounts received by a large local educational agency include the following:

(a) The interests of the state with regard to education and economic development;

(b) The need and ability of each issuer to issue obligations.

(3) The Ohio school facilities commission, in consultation with the director of budget and management, shall establish procedures for making allocations, including those from any carryover of the state portion, and shall adopt guidelines to carry out the purposes of this section."

In line 106522, after "131.33," insert "133.022,"

In line 187 of the title, after "131.38," insert "133.022,"

In line 103282, before "The" insert "(A)"; delete "Audit" and insert "Auditing"

In line 103283, after "shall" insert ", in connection with its duties under sections 126.45 to 126.48 of the Revised Code,"

In line 103285, delete "part of its duties under this"

In line 103286, delete "section" and insert "such"; delete "Audit" and insert "Auditing"; delete "investigate" and insert "review"

In line 103287, delete "are"; delete "and how the agency spends the"

In line 103288, delete "funds" and insert "are spent"; delete "The" and insert "For purposes of this section, "state agency" has the same meaning as in division (A) of section 126.45 of the Revised Code.

In addition to the reports required under section 126.47 of the Revised Code, the"; delete "Audit" and insert "Auditing"

Between lines 103302 and 103303, insert:

"(B) When, as part of its compliance with the federal American Recovery and Reinvestment Act of 2009 requirements to monitor and measure the effectiveness of funds for which the state of Ohio is the prime recipient, and for which reporting authority has not been delegated to a sub-recipient, the Office of Budget and Management submits quarterly reports to the federal government, the Office of Budget and Management shall also submit those reports to the President of the Senate, Minority Leader of the Senate, Speaker of the House of Representatives, Minority Leader of the House of Representatives, and Chairs and ranking members of the committees in the Senate and House of Representatives handling finance and appropriations. The Office of Budget and Management shall continue to submit quarterly reports to the legislature for the duration of the period in which the state of Ohio is required to make reports to the federal government concerning Ohio's use of the federal American Recovery and Reinvestment Act of 2009 funds."

In line 301, delete "124.15,"; delete "124.18,"

In line 9181, after the underlined period insert " A probationary period that follows a separation from service that is less than thirty-one days is not considered an initial probation period for purposes of this section."

In line 9186, strike through "If an" and insert:

" (C) Except as provided in division (D) of this section, beginning in fiscal year 2012, an employee may be paid for up to eighty hours of vacation leave each fiscal year if the employee requested and was denied the use of vacation leave during that fiscal year. No employee shall receive payment for more than eighty hours of denied vacation leave in a single fiscal year. An employee is only eligible to receive payment for vacation leave when the"

In line 9189, strike through "during the immediately preceding twelve months,"

Strike through lines 9190 through 9192

In line 9193, strike through "any pay period"

Strike through lines 9199 and 9200 and insert:

" No employee is eligible to receive payment for denied vacation leave in either fiscal year 2010 or fiscal year 2011.

(D) The supreme court, general assembly, secretary of state, auditor of state, treasurer of state, and attorney general may establish by policy an alternate payment structure for employees whose vacation leave credit is at, or will reach in the immediately following pay period, the maximum of accrual for three years and the employee has been denied the use of vacation leave. An employee is not entitled to receive payment for vacation leave denied in any pay period in which the employee's vacation leave credit is not at, or will not reach in the immediately following pay period, the maximum of accrual for three years. Any vacation leave for which the employee receives payment shall be deducted from the employee's vacation leave balance."

In line 9201, strike through "(C)" and insert " (E)"

Delete lines 9580 through 10001

Delete lines 10308 through 10460

Between lines 10725 and 10726, insert:

" (Q) Employees of the office of the auditor of state who are exempt from collective bargaining and who are paid in accordance with schedule E-1 or in accordance with schedule E-1 for step 7 only and are paid a salary or wage in accordance with the schedule of rates in division (B) or (C) of section 124.152 of the Revised Code shall receive a reduction of two per cent in their hourly and annual pay calculation beginning with the pay period that immediately follows July 1, 2009."

In line 11217, after " by" insert " division (Q) of section 124.181 or"

In line 11372, delete " or"

In line 11373, reinsert "or"; delete " each"

In line 11374, delete " employee of"; delete " department of education who works at the"

Strike through lines 11621 through 11623

In line 11624, strike through "(1) The" and insert " employee shall be responsible for paying the employee's share of retirement contributions and the"

Strike through lines 11625 through 11628

In line 11736, delete " July" and insert " November"

In line 11743, delete " July" and insert " November"

Between lines 11772 and 11773, insert:

" After July 1, 2009, the secretary of state, auditor of state, treasurer of state, or attorney general may decide to begin participation in the program for eighty hours or less and shall notify the director of administrative services in

writing. The secretary of state, auditor of state, treasurer of state, or attorney general and the director shall mutually agree upon an implementation date."

In line 11787, after " ~~program~~" insert " voluntary cost savings program and the"; delete " and days"

In line 11788, after " (E)" insert " Cost savings days provided pursuant to this section or by a labor-management contract or agreement shall be considered remuneration for purposes of section 4141.31 of the Revised Code.

(F)"

In line 90803, delete "124.15,"; delete "124.18,"

In line 106519, delete "124.15,"

In line 106520, delete "124.18," and insert "124.181,"; after "124.183," insert "124.27,"

In line 106550, after "to" insert "division (A) of"

In line 106551, after "2009" insert ", and the remainder of that section takes effect immediately when this act becomes law"

In line 12 of the title, delete "124.15,"; delete "124.18,"

In line 444, after "3714.074," insert "3715.041,"

In line 20841, after "freesale" insert " ;

(7) Registration fees and other fees collected by the director of agriculture under section 3715.041 of the Revised Code"

Between lines 50998 and 50999, insert:

" **Sec. 3715.041.** (A)(1) As used in this section, "food processing establishment" has the same meaning as in section 3715.021 of the Revised Code.

(2) A person that operates a food processing establishment shall register the establishment annually with the director of agriculture. The person shall submit an application for registration or renewal on a form prescribed and provided by the director. Except as provided in division (G) of this section, an application for registration or renewal shall be accompanied by a registration fee in an amount established in rules adopted under this section. If a person files an application for registration on or after the first day of August of any year, the fee shall be one-half of the annual registration fee.

(B)(1) The director shall inspect the food processing establishment for which an application for initial registration has been submitted. If, upon inspection, the director finds that the establishment is in compliance with this chapter and Chapter 911., 913., 915., or 925. of the Revised Code, as applicable, or applicable rules adopted under those chapters, the director shall issue a certificate of registration to the food processing establishment. A food processing establishment registration expires on the thirty-first day of January

and is valid until that date unless it is suspended or revoked under this section.

(2) A person that is operating a food processing establishment on the effective date of this section shall apply to the director for a certificate of registration not later than ninety days after the effective date of this section. If an application is not filed with the director or postmarked on or before ninety days after the effective date of this section, the director shall assess a late fee in an amount established in rules adopted under this section.

(C)(1) A food processing establishment registration may be renewed by the director. A person seeking registration renewal shall submit an application for renewal to the director not later than the thirty-first day of January. The director shall issue a renewed certificate of registration on receipt of a complete renewal application except as provided in division (C)(2) of this section.

(2) If a renewal application is not filed with the director or postmarked on or before the thirty-first day of January, the director shall assess a late fee in an amount established in rules adopted under this section. The director shall not renew the registration until the applicant pays the late fee.

(D) A copy of the food processing establishment registration certificate shall be conspicuously displayed in an area of the establishment to which customers of the establishment have access.

(E)(1) The director or the director's designee may issue an order suspending or revoking a food processing establishment registration upon determining that the registration holder is in violation of this chapter or Chapter 911., 913., 915., or 925. of the Revised Code, as applicable, or applicable rules adopted under those chapters. Except as provided in division (E)(2) of this section, a registration shall not be suspended or revoked until the registration holder is provided an opportunity to appeal the suspension or revocation in accordance with Chapter 119. of the Revised Code.

(2) If the director determines that a food processing establishment presents an immediate danger to the public health, the director may issue an order immediately suspending the establishment's registration without affording the registration holder an opportunity for a hearing. The director then shall afford the registration holder a hearing in accordance with Chapter 119. of the Revised Code not later than ten days after the date of suspension.

(F) The director shall adopt rules in accordance with Chapter 119. of the Revised Code that establish all of the following:

(1) The amount of the registration fee that must be submitted with an application for a food processing establishment registration and with an application for renewal;

(2) The amount of the late fee that is required in division (B)(2) of this section;

(3) The amount of the fee for the late renewal of a food processing

establishment registration that is required in division (C)(2) of this section;

(4) Any other procedures and requirements that are necessary to administer and enforce this section.

(G) The following are not required to pay any registration fee that is otherwise required in this section:

(1) Home bakeries registered under section 911.02 of the Revised Code;

(2) Canneries licensed under section 913.02 of the Revised Code;

(3) Soft drink plants licensed under section 913.23 of the Revised Code;

(4) Cold-storage warehouses licensed under section 915.02 of the Revised Code;

(5) Persons licensed under section 915.15 of the Revised Code;

(6) Persons that are engaged in egg production and that maintain annually five hundred or fewer laying hens.

(H) All money that is collected under this section shall be credited to the food safety fund created in section 915.24 of the Revised Code."

In line 204 of the title, after "3714.074," insert "3715.041,"

In line 445, after "3745.50," insert "3793.21,"

In line 453, after "5119.613," insert "5119.621,"

Between lines 58941 and 58942, insert:

" **Sec. 3793.21.** (A) As used in this section, "administrative function" means a function related to one or more of the following:

(1) Continuous quality improvement;

(2) Utilization review;

(3) Resource development;

(4) Fiscal administration;

(5) General administration;

(6) Any other function related to administration that is required by Chapter 340. of the Revised Code.

(B) Each board of alcohol, drug addiction, and mental health services shall submit an annual report to the department of alcohol and drug addiction services specifying how the board used state and federal funds allocated to the board, according to the methodology the department specifies under section 3793.04 of the Revised Code, for administrative functions in the year preceding the report's submission. The director of alcohol and drug addiction shall establish the date by which the report must be submitted each year."

Between lines 78675 and 78676, insert:

" **Sec. 5119.621.** (A) As used in this section, "administrative function" means a function related to one or more of the following:

(1) Continuous quality improvement;

(2) Utilization review;

(3) Resource development;

(4) Fiscal administration;

(5) General administration;

(6) Any other function related to administration that is required by Chapter 340. of the Revised Code.

(B) Each board of alcohol, drug addiction, and mental health services shall submit an annual report to the department of mental health specifying how the board used state and federal funds allocated to the board, according to the formula the director of mental health establishes under section 5119.62 of the Revised Code, for administrative functions in the year preceding the report's submission. The director of mental health shall establish the date by which the report must be submitted each year."

In line 205 of the title, after "3745.50," insert "3793.21,"

In line 217 of the title, after "5119.613," insert "5119.621,"

In line 332, after "1707.17," insert "1707.37,"

Between lines 26874 and 26875, insert:

"**Sec. 1707.37.** (A) All fees and charges collected under ~~Chapter 1707. of the Revised Code~~ this chapter shall be paid into the state treasury to the credit of the division of securities fund, which is hereby created. All expenses of the division of securities , other than those specified in division (B) of this section, shall be paid from the fund.

The fund shall be assessed a proportionate share of the administrative costs of the department of commerce in accordance with procedures prescribed by the director of commerce and approved by the director of budget and management. The assessments shall be paid from the division of securities fund to the division of administration fund.

If moneys in the division of securities fund are determined by the director of budget and management and the director of commerce to be in excess of those necessary to defray all the expenses in any fiscal year, the director of budget and management shall transfer the excess to the general revenue fund.

(B) There is hereby created in the state treasury the division of securities investor education and enforcement expense fund, which shall consist of all money received in settlement of any violation of this chapter and any cash

transfers. Money in the fund shall be used to pay expenses of the division of securities relating to education or enforcement for the protection of securities investors and the public. The division may adopt rules pursuant to section 1707.20 of the Revised Code that establish what qualifies as such an expense."

In line 90834, after "1707.17," insert "1707.37,"

Between lines 92655 and 92656, insert:

"5GK0800609	Securities Investor Education/Enforcement	$ 485,000	$ 485,000"

In line 92661, delete "$72,781,924 $72,269,670" and insert "$73,266,924 $72,754,670"

In line 92675, delete "$728,431,485 $760,900,781" and insert "$728,916,485 $761,385,781"

Between lines 92769 and 92770, insert:

"CASH TRANSFERS TO THE DIVISION OF SECURITIES INVESTOR EDUCATION AND ENFORCEMENT EXPENSE FUND

The Director of Budget and Management, upon the request of the Director of Commerce, shall transfer up to $485,000 in cash in each fiscal year from the Division of Securities Fund (Fund 5500) to the Division of Securities Investor Education and Enforcement Expense Fund (Fund 5GK0) created in section 1707.37 of the Revised Code."

In line 106538, after "1541.03," insert "1707.37,"

In line 53 of the title, after "1707.17," insert "1707.37,"

In line 308, after "156.04," insert "166.02,"; after "166.07," insert "166.08, 166.25,"

In line 430, after "166.061," insert "166.28,"

Between lines 15590 and 15591, insert:

"**Sec. 166.02.** (A) The general assembly finds that many local areas throughout the state are experiencing economic stagnation or decline, and that the economic development programs provided for in this chapter will constitute deserved, necessary reinvestment by the state in those areas, materially contribute to their economic revitalization, and result in improving the economic welfare of all the people of the state. Accordingly, it is declared to be the public policy of the state, through the operations of this chapter and other applicable laws adopted pursuant to Section 2p or 13 of Article VIII, Ohio Constitution, and other authority vested in the general assembly, to assist in and facilitate the establishment or development of eligible projects or assist and cooperate with any governmental agency in achieving such purpose.

(B) In furtherance of such public policy and to implement such purpose, the director of development may:

(1) After consultation with appropriate governmental agencies, enter into agreements with persons engaged in industry, commerce, distribution, or research and with governmental agencies to induce such persons to acquire, construct, reconstruct, rehabilitate, renovate, enlarge, improve, equip, or furnish, or otherwise develop, eligible projects and make provision therein for project facilities and governmental actions, as authorized by this chapter and other applicable laws, subject to any required actions by the general assembly or the controlling board and subject to applicable local government laws and regulations;

(2) Provide for the guarantees and loans as provided for in sections 166.06 and 166.07 of the Revised Code;

(3) Subject to release of such moneys by the controlling board, contract for labor and materials needed for, or contract with others, including governmental agencies, to provide, project facilities the allowable costs of which are to be paid for or reimbursed from moneys in the facilities establishment fund, and contract for the operation of such project facilities;

(4) Subject to release thereof by the controlling board, from moneys in the facilities establishment fund acquire or contract to acquire by gift, exchange, or purchase, including the obtaining and exercise of purchase options, property, and convey or otherwise dispose of, or provide for the conveyance or disposition of, property so acquired or contracted to be acquired by sale, exchange, lease, lease purchase, conditional or installment sale, transfer, or other disposition, including the grant of an option to purchase, to any governmental agency or to any other person without necessity for competitive bidding and upon such terms and conditions and manner of consideration pursuant to and as the director determines to be appropriate to satisfy the objectives of sections 166.01 to 166.11 of the Revised Code;

(5) Retain the services of or employ financial consultants, appraisers, consulting engineers, superintendents, managers, construction and accounting experts, attorneys, and employees, agents, and independent contractors as are necessary in the director's judgment and fix the compensation for their services;

(6) Receive and accept from any person grants, gifts, and contributions of money, property, labor, and other things of value, to be held, used and applied only for the purpose for which such grants, gifts, and contributions are made;

(7) Enter into appropriate arrangements and agreements with any governmental agency for the taking or provision by that governmental agency of any governmental action;

(8) Do all other acts and enter into contracts and execute all instruments necessary or appropriate to carry out the provisions of this chapter;

(9) Adopt rules to implement any of the provisions of this chapter applicable to the director.

(C) The determinations by the director that facilities constitute eligible

projects, that facilities are project facilities, that costs of such facilities are allowable costs, and all other determinations relevant thereto or to an action taken or agreement entered into shall be conclusive for purposes of the validity and enforceability of rights of parties arising from actions taken and agreements entered into under this chapter.

(D) Except as otherwise prescribed in this chapter, all expenses and obligations incurred by the director in carrying out the director's powers and in exercising the director's duties under this chapter, shall be payable solely from, as appropriate, moneys in the facilities establishment fund, the loan guarantee fund, the innovation Ohio loan guarantee fund, the innovation Ohio loan fund, the research and development loan fund, the logistics and distribution infrastructure fund, the logistics and distribution infrastructure taxable bond fund, or moneys appropriated for such purpose by the general assembly. This chapter does not authorize the director or the issuing authority under section 166.08 of the Revised Code to incur bonded indebtedness of the state or any political subdivision thereof, or to obligate or pledge moneys raised by taxation for the payment of any bonds or notes issued or guarantees made pursuant to this chapter.

(E) No financial assistance for project facilities shall be provided under this chapter unless the provisions of the agreement providing for such assistance specify that all wages paid to laborers and mechanics employed on such project facilities for which the assistance is granted shall be paid at the prevailing rates of wages of laborers and mechanics for the class of work called for by such project facilities, which wages shall be determined in accordance with the requirements of Chapter 4115. of the Revised Code for determination of prevailing wage rates, provided that the requirements of this division do not apply where the federal government or any of its agencies provides financing assistance as to all or any part of the funds used in connection with such project facilities and prescribes predetermined minimum wages to be paid to such laborers and mechanics; and provided further that should a nonpublic user beneficiary of the eligible project undertake, as part of the eligible project, construction to be performed by its regular bargaining unit employees who are covered under a collective bargaining agreement which was in existence prior to the date of the document authorizing such assistance then, in that event, the rate of pay provided under the collective bargaining agreement may be paid to such employees.

(F) Any governmental agency may enter into an agreement with the director, any other governmental agency, or a person to be assisted under this chapter, to take or provide for the purposes of this chapter any governmental action it is authorized to take or provide, and to undertake on behalf and at the request of the director any action which the director is authorized to undertake pursuant to divisions (B)(3), (4), and (5) of this section or divisions (B)(3), (4), and (5) of section 166.12 of the Revised Code. Governmental agencies of the state shall cooperate with and provide assistance to the director of development and the controlling board in the exercise of their respective functions under this

chapter."

Between lines 15705 and 15706, insert:

"**Sec. 166.08.** (A) As used in this chapter:

(1) "Bond proceedings" means the resolution, order, trust agreement, indenture, lease, and other agreements, amendments and supplements to the foregoing, or any one or more or combination thereof, authorizing or providing for the terms and conditions applicable to, or providing for the security or liquidity of, obligations issued pursuant to this section, and the provisions contained in such obligations.

(2) "Bond service charges" means principal, including mandatory sinking fund requirements for retirement of obligations, and interest, and redemption premium, if any, required to be paid by the state on obligations.

(3) "Bond service fund" means the applicable fund and accounts therein created for and pledged to the payment of bond service charges, which may be, or may be part of, the economic development bond service fund created by division (S) of this section including all moneys and investments, and earnings from investments, credited and to be credited thereto.

(4) "Issuing authority" means the treasurer of state, or the officer who by law performs the functions of such officer.

(5) "Obligations" means bonds, notes, or other evidence of obligation including interest coupons pertaining thereto, issued pursuant to this section.

(6) "Pledged receipts" means all receipts of the state representing the gross profit on the sale of spirituous liquor, as referred to in division (B)(4) of section 4301.10 of the Revised Code, after paying all costs and expenses of the division of liquor control and providing an adequate working capital reserve for the division of liquor control as provided in that division, but excluding the sum required by the second paragraph of section 4301.12 of the Revised Code, as in effect on May 2, 1980, to be paid into the state treasury; moneys accruing to the state from the lease, sale, or other disposition, or use, of project facilities, and from the repayment, including interest, of loans made from proceeds received from the sale of obligations; accrued interest received from the sale of obligations; income from the investment of the special funds; and any gifts, grants, donations, and pledges, and receipts therefrom, available for the payment of bond service charges.

(7) "Special funds" or "funds" means, except where the context does not permit, the bond service fund, and any other funds, including reserve funds, created under the bond proceedings, and the economic development bond service fund created by division (S) of this section to the extent provided in the bond proceedings, including all moneys and investments, and earnings from investment, credited and to be credited thereto.

(B) Subject to the limitations provided in section 166.11 of the Revised

Code, the issuing authority, upon the certification by the director of development or, with respect to eligible advanced energy projects, the Ohio air quality development authority to the issuing authority of the amount of moneys or additional moneys needed in the facilities establishment fund, the loan guarantee fund, the innovation Ohio loan fund, the innovation Ohio loan guarantee fund, the research and development loan fund, the logistics and distribution infrastructure fund, the logistics and distribution infrastructure taxable bond fund, the advanced energy research and development fund, or the advanced energy research and development taxable fund, as applicable, for the purpose of paying, or making loans for, allowable costs from the facilities establishment fund, allowable innovation costs from the innovation Ohio loan fund, allowable costs from the research and development loan fund, allowable costs from the logistics and distribution infrastructure fund, allowable costs from the logistics and distribution infrastructure taxable bond fund, allowable costs from the advanced energy research and development fund, or allowable costs from the advanced energy research and development taxable fund, as applicable, or needed for capitalized interest, for funding reserves, and for paying costs and expenses incurred in connection with the issuance, carrying, securing, paying, redeeming, or retirement of the obligations or any obligations refunded thereby, including payment of costs and expenses relating to letters of credit, lines of credit, insurance, put agreements, standby purchase agreements, indexing, marketing, remarketing and administrative arrangements, interest swap or hedging agreements, and any other credit enhancement, liquidity, remarketing, renewal, or refunding arrangements, all of which are authorized by this section, or providing moneys for the loan guarantee fund or the innovation Ohio loan guarantee fund, as provided in this chapter or needed for the purposes of funds established in accordance with or pursuant to sections 122.35, 122.42, 122.54, 122.55, 122.56, 122.561, 122.57, and 122.80 of the Revised Code which are within the authorization of Section 13 of Article VIII, Ohio Constitution, or, with respect to certain eligible advanced energy projects, Section 2p of Article VIII, Ohio Constitution, shall issue obligations of the state under this section in the required amount; provided that such obligations may be issued to satisfy the covenants in contracts of guarantee made under section 166.06 or 166.15 of the Revised Code, notwithstanding limitations otherwise applicable to the issuance of obligations under this section. The proceeds of such obligations, except for the portion to be deposited in special funds, including reserve funds, as may be provided in the bond proceedings, shall as provided in the bond proceedings be deposited by the director of development to the facilities establishment fund, the loan guarantee fund, the innovation Ohio loan guarantee fund, the innovation Ohio loan fund, the research and development loan fund, ~~or~~ the logistics and distribution infrastructure fund, or the logistics and distribution infrastructure taxable bond fund, or be deposited by the Ohio air quality development authority to the advanced energy research and development fund or the advanced energy research and development taxable fund. Bond proceedings for project financing obligations may provide that the proceeds derived from the issuance of such obligations shall be deposited into such fund or funds provided for in the bond

proceedings and, to the extent provided for in the bond proceedings, such proceeds shall be deemed to have been deposited into the facilities establishment fund and transferred to such fund or funds. The issuing authority may appoint trustees, paying agents, and transfer agents and may retain the services of financial advisors, accounting experts, and attorneys, and retain or contract for the services of marketing, remarketing, indexing, and administrative agents, other consultants, and independent contractors, including printing services, as are necessary in the issuing authority's judgment to carry out this section. The costs of such services are allowable costs payable from the facilities establishment fund or the research and development loan fund, allowable innovation costs payable from the innovation Ohio loan fund, or allowable costs payable from the logistics and distribution infrastructure fund, the logistics and distribution infrastructure taxable bond fund, the advanced energy research and development fund, or the advanced energy research and development taxable fund, as applicable.

(C) The holders or owners of such obligations shall have no right to have moneys raised by taxation obligated or pledged, and moneys raised by taxation shall not be obligated or pledged, for the payment of bond service charges. Such holders or owners shall have no rights to payment of bond service charges from any moneys accruing to the state from the lease, sale, or other disposition, or use, of project facilities, or from payment of the principal of or interest on loans made, or fees charged for guarantees made, or from any money or property received by the director, treasurer of state, or the state under Chapter 122. of the Revised Code, or from any other use of the proceeds of the sale of the obligations, and no such moneys may be used for the payment of bond service charges, except for accrued interest, capitalized interest, and reserves funded from proceeds received upon the sale of the obligations and except as otherwise expressly provided in the applicable bond proceedings pursuant to written directions by the director. The right of such holders and owners to payment of bond service charges is limited to all or that portion of the pledged receipts and those special funds pledged thereto pursuant to the bond proceedings in accordance with this section, and each such obligation shall bear on its face a statement to that effect.

(D) Obligations shall be authorized by resolution or order of the issuing authority and the bond proceedings shall provide for the purpose thereof and the principal amount or amounts, and shall provide for or authorize the manner or agency for determining the principal maturity or maturities, not exceeding twenty-five years from the date of issuance, the interest rate or rates or the maximum interest rate, the date of the obligations and the dates of payment of interest thereon, their denomination, and the establishment within or without the state of a place or places of payment of bond service charges. Sections 9.98 to 9.983 of the Revised Code are applicable to obligations issued under this section, subject to any applicable limitation under section 166.11 of the Revised Code. The purpose of such obligations may be stated in the bond proceedings in terms describing the general purpose or purposes to be served. The bond proceedings also shall provide, subject to the provisions of any other applicable bond

proceedings, for the pledge of all, or such part as the issuing authority may determine, of the pledged receipts and the applicable special fund or funds to the payment of bond service charges, which pledges may be made either prior or subordinate to other expenses, claims, or payments, and may be made to secure the obligations on a parity with obligations theretofore or thereafter issued, if and to the extent provided in the bond proceedings. The pledged receipts and special funds so pledged and thereafter received by the state are immediately subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledges is valid and binding against all parties having claims of any kind against the state or any governmental agency of the state, irrespective of whether such parties have notice thereof, and shall create a perfected security interest for all purposes of Chapter 1309. of the Revised Code, without the necessity for separation or delivery of funds or for the filing or recording of the bond proceedings by which such pledge is created or any certificate, statement or other document with respect thereto; and the pledge of such pledged receipts and special funds is effective and the money therefrom and thereof may be applied to the purposes for which pledged without necessity for any act of appropriation. Every pledge, and every covenant and agreement made with respect thereto, made in the bond proceedings may therein be extended to the benefit of the owners and holders of obligations authorized by this section, and to any trustee therefor, for the further security of the payment of the bond service charges.

(E) The bond proceedings may contain additional provisions as to:

(1) The redemption of obligations prior to maturity at the option of the issuing authority at such price or prices and under such terms and conditions as are provided in the bond proceedings;

(2) Other terms of the obligations;

(3) Limitations on the issuance of additional obligations;

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

(5) The deposit, investment and application of special funds, and the safeguarding of moneys on hand or on deposit, without regard to Chapter 131. or 135. of the Revised Code, but subject to any special provisions of this chapter, with respect to particular funds or moneys, provided that any bank or trust company which acts as depository of any moneys in the special funds may furnish such indemnifying bonds or may pledge such securities as required by the issuing authority;

(6) Any or every provision of the bond proceedings being binding upon such officer, board, commission, authority, agency, department, or other person or body as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision;

(7) Any provision that may be made in a trust agreement or indenture;

(8) Any other or additional agreements with the holders of the obligations, or the trustee therefor, relating to the obligations or the security therefor, including the assignment of mortgages or other security obtained or to be obtained for loans under section 122.43, 166.07, or 166.16 of the Revised Code.

(F) The obligations may have the great seal of the state or a facsimile thereof affixed thereto or printed thereon. The obligations and any coupons pertaining to obligations shall be signed or bear the facsimile signature of the issuing authority. Any obligations or coupons may be executed by the person who, on the date of execution, is the proper issuing authority although on the date of such bonds or coupons such person was not the issuing authority. If the issuing authority whose signature or a facsimile of whose signature appears on any such obligation or coupon ceases to be the issuing authority before delivery thereof, such signature or facsimile is nevertheless valid and sufficient for all purposes as if the former issuing authority had remained the issuing authority until such delivery; and if the seal to be affixed to obligations has been changed after a facsimile of the seal has been imprinted on such obligations, such facsimile seal shall continue to be sufficient as to such obligations and obligations issued in substitution or exchange therefor.

(G) All obligations are negotiable instruments and securities under Chapter 1308. of the Revised Code, subject to the provisions of the bond proceedings as to registration. The obligations may be issued in coupon or in registered form, or both, as the issuing authority determines. Provision may be made for the registration of any obligations with coupons attached thereto as to principal alone or as to both principal and interest, their exchange for obligations so registered, and for the conversion or reconversion into obligations with coupons attached thereto of any obligations registered as to both principal and interest, and for reasonable charges for such registration, exchange, conversion, and reconversion.

(H) Obligations may be sold at public sale or at private sale, as determined in the bond proceedings.

Obligations issued to provide moneys for the loan guarantee fund or the innovation Ohio loan guarantee fund may, as determined by the issuing authority, be sold at private sale, and without publication of a notice of sale.

(I) Pending preparation of definitive obligations, the issuing authority may issue interim receipts or certificates which shall be exchanged for such definitive obligations.

(J) In the discretion of the issuing authority, obligations may be secured additionally by a trust agreement or indenture between the issuing authority and a corporate trustee which may be any trust company or bank having a place of business within the state. Any such agreement or indenture may contain the resolution or order authorizing the issuance of the obligations, any provisions

that may be contained in any bond proceedings, and other provisions which are customary or appropriate in an agreement or indenture of such type, including, but not limited to:

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

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

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

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

(5) Such other provisions as the trustee and the issuing authority agree upon, including limitations, conditions, or qualifications relating to any of the foregoing.

(K) Any holders of obligations or trustees under the bond proceedings, except to the extent that their rights are restricted by the bond proceedings, may by any suitable form of legal proceedings, protect and enforce any rights under the laws of this state or granted by such bond proceedings. Such rights include the right to compel the performance of all duties of the issuing authority, the director of development, the Ohio air quality development authority, or the division of liquor control required by this chapter or the bond proceedings; to enjoin unlawful activities; and in the event of default with respect to the payment of any bond service charges on any obligations or in the performance of any covenant or agreement on the part of the issuing authority, the director of development, the Ohio air quality development authority, or the division of liquor control in the bond proceedings, to apply to a court having jurisdiction of the cause to appoint a receiver to receive and administer the pledged receipts and special funds, other than those in the custody of the treasurer of state, which are pledged to the payment of the bond service charges on such obligations or which are the subject of the covenant or agreement, with full power to pay, and to provide for payment of bond service charges on, such obligations, and with such powers, subject to the direction of the court, as are accorded receivers in general equity cases, excluding any power to pledge additional revenues or receipts or other income or moneys of the issuing authority or the state or governmental agencies of the state to the payment of such principal and interest and excluding the power to take possession of, mortgage, or cause the sale or otherwise dispose of any project facilities.

Each duty of the issuing authority and the issuing authority's officers and employees, and of each governmental agency and its officers, members, or employees, undertaken pursuant to the bond proceedings or any agreement or lease, lease-purchase agreement, or loan made under authority of this chapter, and in every agreement by or with the issuing authority, is hereby established as a duty of the issuing authority, and of each such officer, member, or employee having authority to perform such duty, specifically enjoined by the law resulting from an office, trust, or station within the meaning of section 2731.01 of the Revised Code.

The person who is at the time the issuing authority, or the issuing authority's officers or employees, are not liable in their personal capacities on any obligations issued by the issuing authority or any agreements of or with the issuing authority.

(L) The issuing authority may authorize and issue obligations for the refunding, including funding and retirement, and advance refunding with or without payment or redemption prior to maturity, of any obligations previously issued by the issuing authority. Such obligations may be issued in amounts sufficient for payment of the principal amount of the prior obligations, any redemption premiums thereon, principal maturities of any such obligations maturing prior to the redemption of the remaining obligations on a parity therewith, interest accrued or to accrue to the maturity dates or dates of redemption of such obligations, and any allowable costs including expenses incurred or to be incurred in connection with such issuance and such refunding, funding, and retirement. Subject to the bond proceedings therefor, the portion of proceeds of the sale of obligations issued under this division to be applied to bond service charges on the prior obligations shall be credited to an appropriate account held by the trustee for such prior or new obligations or to the appropriate account in the bond service fund for such obligations. Obligations authorized under this division shall be deemed to be issued for those purposes for which such prior obligations were issued and are subject to the provisions of this section pertaining to other obligations, except as otherwise provided in this section; provided that, unless otherwise authorized by the general assembly, any limitations imposed by the general assembly pursuant to this section with respect to bond service charges applicable to the prior obligations shall be applicable to the obligations issued under this division to refund, fund, advance refund or retire such prior obligations.

(M) The authority to issue obligations under this section includes authority to issue obligations in the form of bond anticipation notes and to renew the same from time to time by the issuance of new notes. The holders of such notes or interest coupons pertaining thereto shall have a right to be paid solely from the pledged receipts and special funds that may be pledged to the payment of the bonds anticipated, or from the proceeds of such bonds or renewal notes, or both, as the issuing authority provides in the resolution or order authorizing such notes. Such notes may be additionally secured by covenants of the issuing authority to the effect that the issuing authority and the state will do such or all

things necessary for the issuance of such bonds or renewal notes in appropriate amount, and apply the proceeds thereof to the extent necessary, to make full payment of the principal of and interest on such notes at the time or times contemplated, as provided in such resolution or order. For such purpose, the issuing authority may issue bonds or renewal notes in such principal amount and upon such terms as may be necessary to provide funds to pay when required the principal of and interest on such notes, notwithstanding any limitations prescribed by or for purposes of this section. Subject to this division, all provisions for and references to obligations in this section are applicable to notes authorized under this division.

The issuing authority in the bond proceedings authorizing the issuance of bond anticipation notes shall set forth for such bonds an estimated interest rate and a schedule of principal payments for such bonds and the annual maturity dates thereof, and for purposes of any limitation on bond service charges prescribed under division (A) of section 166.11 of the Revised Code, the amount of bond service charges on such bond anticipation notes is deemed to be the bond service charges for the bonds anticipated thereby as set forth in the bond proceedings applicable to such notes, but this provision does not modify any authority in this section to pledge receipts and special funds to, and covenant to issue bonds to fund, the payment of principal of and interest and any premium on such notes.

(N) Obligations issued under this section are lawful investments for banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and fire pension fund, notwithstanding any other provisions of the Revised Code or rules adopted pursuant thereto by any governmental agency of the state with respect to investments by them, and are also acceptable as security for the deposit of public moneys.

(O) Unless otherwise provided in any applicable bond proceedings, moneys to the credit of or in the special funds established by or pursuant to this section may be invested by or on behalf of the issuing authority only in notes, bonds, or other obligations of the United States, or of any agency or instrumentality of the United States, obligations guaranteed as to principal and interest by the United States, obligations of this state or any political subdivision of this state, and certificates of deposit of any national bank located in this state and any bank, as defined in section 1101.01 of the Revised Code, subject to inspection by the superintendent of banks. If the law or the instrument creating a trust pursuant to division (J) of this section expressly permits investment in direct obligations of the United States or an agency of the United States, unless

expressly prohibited by the instrument, such moneys also may be invested in no-front-end-load money market mutual funds consisting exclusively of obligations of the United States or an agency of the United States and in repurchase agreements, including those issued by the fiduciary itself, secured by obligations of the United States or an agency of the United States; and in common trust funds established in accordance with section 1111.20 of the Revised Code and consisting exclusively of any such securities, notwithstanding division (A)(4) of that section. The income from such investments shall be credited to such funds as the issuing authority determines, and such investments may be sold at such times as the issuing authority determines or authorizes.

(P) Provision may be made in the applicable bond proceedings for the establishment of separate accounts in the bond service fund and for the application of such accounts only to the specified bond service charges on obligations pertinent to such accounts and bond service fund and for other accounts therein within the general purposes of such fund. Unless otherwise provided in any applicable bond proceedings, moneys to the credit of or in the several special funds established pursuant to this section shall be disbursed on the order of the treasurer of state, provided that no such order is required for the payment from the bond service fund when due of bond service charges on obligations.

(Q) The issuing authority may pledge all, or such portion as the issuing authority determines, of the pledged receipts to the payment of bond service charges on obligations issued under this section, and for the establishment and maintenance of any reserves, as provided in the bond proceedings, and make other provisions therein with respect to pledged receipts as authorized by this chapter, which provisions are controlling notwithstanding any other provisions of law pertaining thereto.

(R) The issuing authority may covenant in the bond proceedings, and any such covenants are controlling notwithstanding any other provision of law, that the state and applicable officers and governmental agencies of the state, including the general assembly, so long as any obligations are outstanding, shall:

(1) Maintain statutory authority for and cause to be charged and collected wholesale and retail prices for spirituous liquor sold by the state or its agents so that the pledged receipts are sufficient in amount to meet bond service charges, and the establishment and maintenance of any reserves and other requirements provided for in the bond proceedings, and, as necessary, to meet covenants contained in contracts of guarantee made under section 166.06 of the Revised Code;

(2) Take or permit no action, by statute or otherwise, that would impair the exemption from federal income taxation of the interest on the obligations.

(S) There is hereby created the economic development bond service fund, which shall be in the custody of the treasurer of state but shall be separate and apart from and not a part of the state treasury. All moneys received by or on

account of the issuing authority or state agencies and required by the applicable bond proceedings, consistent with this section, to be deposited, transferred, or credited to a bond service fund or the economic development bond service fund, and all other moneys transferred or allocated to or received for the purposes of the fund, shall be deposited and credited to such fund and to any separate accounts therein, subject to applicable provisions of the bond proceedings, but without necessity for any act of appropriation. During the period beginning with the date of the first issuance of obligations and continuing during such time as any such obligations are outstanding, and so long as moneys in the pertinent bond service funds are insufficient to pay all bond services charges on such obligations becoming due in each year, a sufficient amount of the gross profit on the sale of spirituous liquor included in pledged receipts are committed and shall be paid to the bond service fund or economic development bond service fund in each year for the purpose of paying the bond service charges becoming due in that year without necessity for further act of appropriation for such purpose and notwithstanding anything to the contrary in Chapter 4301. of the Revised Code. The economic development bond service fund is a trust fund and is hereby pledged to the payment of bond service charges to the extent provided in the applicable bond proceedings, and payment thereof from such fund shall be made or provided for by the treasurer of state in accordance with such bond proceedings without necessity for any act of appropriation.

(T) The obligations, the transfer thereof, and the income therefrom, including any profit made on the sale thereof, shall at all times be free from taxation within the state.

Sec. 166.25. (A) The director of development, with the approval of the controlling board and subject to the other applicable provisions of this chapter, may lend money in the logistics and distribution infrastructure fund and the logistics and distribution infrastructure taxable bond fund to persons for the purpose of paying allowable costs of eligible logistics and distribution projects.

(B) In determining the eligible logistics and distribution projects to be assisted and the nature, amount, and terms of assistance to be provided for an eligible logistics and distribution project, the director shall consult with appropriate governmental agencies, including the department of transportation and the Ohio rail development commission.

(C)(1) The director shall submit to the development financing advisory council the terms of the proposed assistance to be provided for an eligible logistics and distribution project and such other relevant information as the council may request.

(2) The council, on the basis of such information, shall make recommendations as to the appropriateness of the assistance to be provided. The recommendations may be revised to reflect any changes in the proposed assistance the director may submit to the council.

(3) The director shall submit the terms of the proposed assistance to be

provided, along with the recommendations, as amended, of the council as to the appropriateness of the proposed assistance, to the controlling board.

(D) Any loan made pursuant to this section shall be evidenced by a loan agreement, which shall contain such terms as the director determines necessary or appropriate, including performance measures and reporting requirements. The director may take actions necessary or appropriate to collect or otherwise deal with any loan made under this section, including requiring a loan recipient to repay the amount of the loan plus interest at a rate of three per cent above the federal short term interest rate or any other rate determined by the director.

Sec. 166.28. (A) There is hereby created in the state treasury the logistics and distribution infrastructure taxable bond fund. The fund shall consist of grants, gifts, and contributions of money or rights to money lawfully designated for or deposited into the fund, all money and rights to money lawfully appropriated and transferred to the fund, including money received from the issuance of federally taxable obligations under section 166.08 of the Revised Code and subject to section 166.11 of the Revised Code, and money credited to the fund pursuant to division (B) of this section. The fund shall be used for the allowable costs of eligible logistics and distribution projects. All investment earnings on the cash balance in the fund shall be credited to the fund. The fund shall not be comprised, in any part, of money raised by taxation.

(B) There shall be credited to the logistics and distribution infrastructure taxable bond fund the money received by the state from the repayment of loans and recovery on loan guarantees, including interest thereon, made from the fund."

In line 90810, after "156.04," insert "166.02,"; after "166.07," insert "166.08, 166.25,"

Between lines 93446 and 93447 insert:

"Any unexpended and unencumbered portion of appropriation item 195649, Logistics and Distribution Infrastructure Taxable Bonds, in fiscal year 2010 is hereby reappropriated to the Department of Development for the same purpose in fiscal year 2011.

The Director of Budget and Management may approve written requests from the Director of Development for the transfer of appropriations between appropriation items 195698, Logistics and Distribution Infrastructure, and 195649, Logistics and Distribution Infrastructure Taxable Bonds, based upon awards recommended by the Director of Development. Such transfers shall be subject to approval by the Controlling Board."

In line 106522, after "145.298," insert "166.02, 166.08, 166.25, 166.28,"

In line 20 of the title, after "156.04," insert "166.02,"; after "166.07," insert "166.08, 166.25,"

In line 188 of the title, after "166.061," insert "166.28,"

In line 304, after "131.33," insert "133.02,"

Between lines 12810 and 12811, insert:

"**Sec. 133.02.** (A) Securities lawfully authorized and issued by an issuer, and fractionalized interests in public obligations, subject to applicable provisions for registration or of the proceedings, are negotiable instruments and securities under Chapters 1303. and 1308. of the Revised Code, notwithstanding that the promise to pay debt charges on the particular securities or fractionalized interests may be limited to payment out of a particular fund or the proceeds from a particular source.

(B) Unless a judicial action or proceeding challenging the validity of public obligations or of fractionalized interests in public obligations is commenced by personal service on the chief executive officer or legal officer or fiscal officer of the issuer and, if applicable, the obligor, prior to the initial delivery of the public obligations or the fractionalized interests in public obligations, the public obligations or the fractionalized interests in them and the proceedings relating to them are incontestable and the public obligations or the fractionalized interests in them shall be conclusively considered to be and to have been issued, secured, entered into, payable, sold, executed, and delivered, and the proceedings relating to them taken, in conformity with all legal requirements if all of the following apply:

(1) They state that they are issued or entered into under or pursuant to authorizing provisions of law or of any applicable charter or the Ohio Constitution and comply on their face with those provisions.

(2) They are issued or entered into for a lawful purpose, as stated in the securities or the legislation authorizing their issuance, and within any limitations prescribed by law.

(3) Their purchase price, if any, has been paid in full.

(4) The transcript of the proceedings contains a statement by the officer having charge of the applicable records, or by the legal officer or fiscal officer, of the issuer and, if applicable, of the obligor that all the proceedings were held in compliance with law, which statement creates a conclusive presumption that the proceedings were held in compliance with all laws, including, as applicable, section 121.22 of the Revised Code, and rules.

(C) An individual as such, or as an officer, director, stockholder, or employee of or owner of any interest in an entity, or relatives or business associates of such individual, purchasing securities or fractionalized interests in public obligations as the original or subsequent purchaser, or providing a credit enhancement facility, or acting as a lessor, trustee, fiscal agent, financial adviser, paying agent, or registrar related thereto, shall not be deemed to be interested, either directly or indirectly, solely by reason of such purchase, provision, or relationship, in such purchase or sale or servicing or in the contract evidenced by the securities or the fractionalized interests in public obligations or the credit

enhancement facility, for the purpose of any law of this state that prohibits a public officer, servant, or employee, or his relatives or business associates, from being interested in any contract of the particular issuer or obligor.

(D) As used in this division, "tax compliance payments" means any amounts determined or estimated as amounts required to be paid to the federal government in order to maintain the exclusion from gross income for federal income tax purposes of interest on those obligations, including any amounts computed at the time to represent the portion of investment income to be rebated, or amounts in lieu of or in addition to any rebate amount and any penalty or interest to be paid, for that purpose pursuant to the Internal Revenue Code; and "public obligations" includes any bond within the meaning of section 150(a) of the Internal Revenue Code.

Notwithstanding any other law, an issuer and an obligor may agree, in specific or general terms, to do or cause or require to be done all things necessary for, and not to do or permit or authorize to be done anything that would adversely affect, the exclusion of interest on public obligations or on fractionalized interests in public obligations from gross income for federal income tax purposes under the Internal Revenue Code, or the classification or qualification of the public obligations or the interest on the public obligations or fractionalized interests in public obligations for, or their exemption from, other treatment under the Internal Revenue Code, including compliance with the provisions for tax compliance payments to the United States in accordance with the Internal Revenue Code. Those actions and covenants and compliance therewith shall be valid, incontestable, final, and conclusive to the extent that they support that exclusion from gross income or those classifications, qualifications, or exemptions. The authorization in this division is solely for the purpose of satisfying such federal conditions or requirements, and is in addition to and not a limitation upon other authorization granted by or pursuant to law or the Ohio Constitution, and does not preclude or exclude any actions or covenants by the issuer or obligor, or its officer, to satisfy the federal conditions or requirements for the purpose, including actions and covenants previously taken or made. Subject to the terms of those covenants, compliance with covenants referred to in this division by the issuer or obligor and its officers are acts specifically enjoined by law as duties resulting from their office, trust, and station for purposes of section 2731.01 of the Revised Code. The issuer or obligor, and its officers, employees, and agents responsible in the circumstances, shall do all things necessary or appropriate to comply with such covenants and shall take all actions to account for, calculate, report, make available, and make tax compliance payments pursuant to the Internal Revenue Code to the extent required to comply with such covenants. In order to protect the tax exemption of interest or other qualification, classification, or exemption for tax purposes, and to reduce tax compliance payments:

(1) Moneys from the funds to which any such interest is credited, and from any fund that is generally available for the general purposes of the issuer or obligor, available for the purpose of the securities issue, or available for

operating and maintenance expenses of any improvements financed or refinanced by that issue or of any system or enterprise of which those improvements are a part, shall be appropriated and are deemed appropriated for all purposes to the payment of such amounts pursuant to such covenant, and may be so appropriated in the absence of such a covenant. Subject to the provisions of the applicable proceedings and notwithstanding any statutory or administrative limitations on the use or transfer of those funds or receipts, the appropriate official of the issuer or obligor may:

(a) Withdraw or transfer tax compliance payments from the fund or funds designated by the issuer or obligor for the purpose, including any bond, improvement, or special fund, and any bond retirement fund after provision for current debt charges requirements, or direct the deposit from receipts, and deposit tax compliance payments in or credit them to the fund or account established for the purpose, which establishment is hereby authorized, and disburse moneys from that fund or account for that purpose.

(b) Withdraw or transfer investment income from any bond or improvement fund, from any bond retirement fund after provision for current debt charges requirements, and from any other special fund established with respect to an issue of securities, and deposit that investment income in or credit that investment income to any other fund or account.

(2) An issuer or obligor may invest any proceeds or gross proceeds, as defined in the Internal Revenue Code, of public obligations or fractionalized interests in public obligations in tax-exempt bonds of any person authorized to issue tax-exempt bonds under the Internal Revenue Code, and in any regulated investment company, the investment in which is treated as an investment in tax-exempt bonds for purposes of provisions of section 148 of the Internal Revenue Code, and in any special series of obligations of the United States made available for purposes of compliance with provisions of section 148 of the Internal Revenue Code. The authority to invest proceeds under this division is in addition to and not restricted or conditioned by any other authority of an issuer to invest its moneys.

Nothing in this division or in other prior or current provisions of law requires that an issuer or obligor comply with provisions of federal tax law or regulations to exclude interest on its public obligations from gross income for federal income tax purposes or otherwise to have the public obligations or interest thereon treated in any particular way under federal tax laws, except to the extent, if any, that the issuer or obligor covenants to do so, and the validity of the public obligations shall not be adversely affected by the absence of that compliance or of compliance with any covenants made pursuant to this division.

This division applies to public obligations and fractionalized interests in public obligations, outstanding on or entered into prior to, or issued or entered into on or after, October 30, 1989.

(E) Notwithstanding any other law, the income from the investment of

proceeds of public obligations or fractionalized interests in public obligations of a public issuer , or payments received by or on behalf of a public issuer under section 6341 of the Internal Revenue Code, 26 U.S.C. 6431, may be credited to the fund or account in which those proceeds are held, to the fund or account from which debt charges on those public obligations are paid, or to the general fund or other fund or account as the public issuer authorizes, and used for the purposes of that fund or account."

In line 90806, after "131.33," insert "133.02,"

In line 106522, after "131.33," insert "133.02,"

In line 16 of the title, after "131.33," insert "133.02,"

In line 102758, delete "Ten days before" and insert "Before"

In line 41736, strike through everything after the first "for"

In line 41737, strike through "violations of reasonable"

Delete lines 98275 through 98296

In line 96606, delete "$548,062 $548,062" and insert "$698,595 $698,595"

In line 96611, add $150,533 to each fiscal year

In line 96617, add $150,533 to each fiscal year

In line 92629, delete "$4,478,037 $4,478,037" and insert "$7,420,049 $7,561,286"

In line 92631, delete "$8,695,254 $8,695,254" and insert "$9,948,085 $9,948,085"

In line 92635, delete "$94,693,025 $94,610,413" and insert "$98,887,868 $98,946,493"

In line 92647, delete "$14,082,429 $14,082,429" and insert "$15,118,673 $15,191,721"

In line 92655, delete the second "$25,753,662" and insert "$26,713,417"

Between lines 92655 and 92656, insert:

"5FW0800616	Financial Literacy Education	$	350,000	$	350,000
5GK0 800609	Securities Investor Education/Enforcement	$	485,000	$	485,000"

In line 92656, delete "$75,000 $75,000" and insert "$150,000 $150,000"

In line 92661, delete "$72,781,924 $72,269,670" and insert "$74,728,168 $75,248,717"

In line 92675, delete "$728,431,485 $760,900,781" and insert "$734,572,572 $768,215,908"

In line 16186, after " (8)" insert " "PASSPORT administrative agency"

means an entity under contract with the department of aging to provide administrative services regarding the PASSPORT program.

(9)"

In line 16190, delete " (9)" and insert " (10)"

In line 16509, delete " area agency on aging" and insert " PASSPORT administrative agency"

Between lines 90951 and 90952, insert:

"**Section ____.** Sections 1751.53 and 3923.38 of the Revised Code as they result from Section 120.10 of H.B. 2 of the 128th General Assembly are hereby repealed. This repeal enables the continued existence of those sections as they result from Section 101.01 of H.B. 2 of the 128th General Assembly."

In line 281 of the title, after the semicolon insert "to repeal the version of sections 1753.53 and 3923.38 of the Revised Code that were scheduled to take effect January 1, 2010;"

In line 106538, after "1541.03," insert "1548.10,"

In line 106544, after "4117.24," insert "4501.06,"; after "4503.10," insert "4503.19, 4503.40, 4503.42,"; after "4505.06," insert "4505.09, 4519.59,"

In line 106547, after "5123.193," insert "5502.12,"

In line 90950, delete "and"; after "5123.23" insert ", and 5145.32"

In line 243 of the title, delete "and"

In line 244 of the title, after "5123.23" insert ", and 5145.32"

In line 333, after "1751.05," insert "1751.14,"

In line 373, after "3923.11," insert "3923.24,"

In line 414, after "5743.61," insert "5747.01,"

In line 445, after "3903.77," insert "3923.241,"

In line 27299, after "3902.14," insert " 3923.24,"

Between lines 27690 and 27691, insert:

"**Sec. 1751.14.** (A) ~~Any~~ Notwithstanding section 3901.71 of the Revised Code, any policy, contract, or agreement for health care services authorized by this chapter that is issued, delivered, or renewed in this state and that provides that coverage of an unmarried dependent child will terminate upon attainment of the limiting age for dependent children specified in the policy, contract, or agreement, shall also provide in substance ~~that~~ both of the following:

(1) Once an unmarried child has attained the limiting age for dependent children, as provided in the policy, contract, or agreement, upon the request of the subscriber, the health insuring corporation shall offer to cover the unmarried child until the child attains twenty-eight years of age if all of the following are

true:

(a) The child is the natural child, stepchild, or adopted child of the subscriber.

(b) The child is a resident of this state or a full-time student at an accredited public or private institution of higher education.

(c) The child is not employed by an employer that offers any health benefit plan under which the child is eligible for coverage.

(d) After having attained the limiting age, the child has been continuously covered under any health benefit plan.

(e) The child is not eligible for coverage under the medicaid program established under Chapter 5111. of the Revised Code or the medicare program established under Title XVIII of the "Social Security Act," 42 U.S.C. 1395.

(2) That attainment of the limiting age for dependent children shall not operate to terminate the coverage of ~~the~~ a dependent child if the child is and continues to be both of the following:

~~(1)~~ (a) Incapable of self-sustaining employment by reason of mental retardation or physical handicap;

~~(2)~~ (b) Primarily dependent upon the subscriber for support and maintenance.

(B) Proof of incapacity and dependence for purposes of division (A) (2) of this section shall be furnished to the health insuring corporation within thirty-one days of the child's attainment of the limiting age. Upon request, but not more frequently than annually, the health insuring corporation may require proof satisfactory to it of the continuance of such incapacity and dependency.

(C) Nothing in this section shall do any of the following:

(1) Require that any policy, contract, or agreement offer coverage for dependent children or provide coverage for an unmarried dependent child's children as dependents on the policy, contract, or agreement;

(2) Require an employer to pay for any part of the premium for an unmarried dependent child that has attained the limiting age for dependents, as provided in the policy, contract, or agreement;

(3) Require an employer to offer health insurance coverage to the dependents of any employee.

(D) This section does not apply to any health insuring corporation policy, contract, or agreement offering only supplemental health care services or specialty health care services.

(E) As used in this section, "health benefit plan" has the same meaning as in section 3924.01 of the Revised Code and also includes both of the following:

(1) A public employee benefit plan;

(2) A health benefit plan as regulated under the "Employee Retirement Income Security Act of 1974," 29 U.S.C. 1001, et seq."

Between lines 59382 and 59383, insert:

"**Sec. 3923.24.** ~~Every~~ (A) Notwithstanding section 3901.71 of the Revised Code, every certificate furnished by an insurer in connection with, or pursuant to any provision of, any group sickness and accident insurance policy delivered, issued for delivery, renewed, or used in this state on or after January 1, 1972, ~~and~~ every policy of sickness and accident insurance delivered, issued for delivery, renewed, or used in this state on or after January 1, 1972, and every multiple employer welfare arrangement offering an insurance program, which provides that coverage of an unmarried dependent child of a parent or legal guardian will terminate upon attainment of the limiting age for dependent children specified in the contract shall also provide in substance ~~that~~ both of the following:

(1) Once an unmarried child has attained the limiting age for dependent children, as provided in the policy, upon the request of the insured, the insurer shall offer to cover the unmarried child until the child attains twenty-eight years of age if all of the following are true:

(a) The child is the natural child, stepchild, or adopted child of the insured.

(b) The child is a resident of this state or a full-time student at an accredited public or private institution of higher education.

(c) The child is not employed by an employer that offers any health benefit plan under which the child is eligible for coverage.

(d) After having attained the limiting age, the child has been continuously covered under any health benefit plan.

(e) The child is not eligible for coverage under the medicaid program established under Chapter 5111. of the Revised Code or the medicare program established under Title XVIII of the "Social Security Act," 42 U.S.C. 1395.

(2) That attainment of ~~such~~ the limiting age for dependent children shall not operate to terminate the coverage of ~~such~~ a dependent child if the child is and continues to be both of the following:

~~(A)~~ (a) Incapable of self-sustaining employment by reason of mental retardation or physical handicap;

~~(B)~~ (b) Primarily dependent upon the policyholder or certificate holder for support and maintenance.

(B) Proof of such incapacity and dependence for purposes of division (A)(2) of this section shall be furnished by the policyholder or by the certificate holder to the insurer within thirty-one days of the child's attainment of the

limiting age. Upon request, but not more frequently than annually after the two-year period following the child's attainment of the limiting age, the insurer may require proof satisfactory to it of the continuance of such incapacity and dependency.

(C) Nothing in this section shall require an insurer to cover a dependent child who is mentally retarded or physically handicapped if the contract is underwritten on evidence of insurability based on health factors set forth in the application, or if such dependent child does not satisfy the conditions of the contract as to any requirement for evidence of insurability or other provision of the contract, satisfaction of which is required for coverage thereunder to take effect. In any such case, the terms of the contract shall apply with regard to the coverage or exclusion of the dependent from such coverage. Nothing in this section shall apply to accidental death or dismemberment benefits provided by any such policy of sickness and accident insurance.

(D) Nothing in this section shall do any of the following:

(1) Require that any policy offer coverage for dependent children or provide coverage for an unmarried dependent child's children as dependents on the policy;

(2) Require an employer to pay for any part of the premium for an unmarried dependent child that has attained the limiting age for dependents, as provided in the policy;

(3) Require an employer to offer health insurance coverage to the dependents of any employee.

(E) This section does not apply to any policies or certificates covering only accident, credit, dental, disability income, long-term care, hospital indemnity, medicare supplement, specified disease, or vision care; coverage under a one-time-limited-duration policy of not longer than six months; coverage issued as a supplement to liability insurance; insurance arising out of a workers' compensation or similar law; automobile medical-payment insurance; or insurance under which benefits are payable with or without regard to fault and that is statutorily required to be contained in any liability insurance policy or equivalent self-insurance.

(F) As used in this section, "health benefit plan" has the same meaning as in section 3924.01 of the Revised Code and also includes both of the following:

(1) A public employee benefit plan;

(2) A health benefit plan as regulated under the "Employee Retirement Income Security Act of 1974," 29 U.S.C. 1001, et seq.

Sec. 3923.241. (A) Notwithstanding section 3901.71 of the Revised Code, any public employee benefit plan that provides that coverage of an unmarried dependent child will terminate upon attainment of the limiting age for dependent children specified in the plan shall also provide in substance both of the following:

(1) Once an unmarried child has attained the limiting age for dependent children, as provided in the plan, upon the request of the employee, the public employee benefit plan shall offer to cover the unmarried child until the child attains twenty-eight years of age if all of the following are true:

(a) The child is the natural child, stepchild, or adopted child of the employee.

(b) The child is a resident of this state or a full-time student at an accredited public or private institution of higher education.

(c) The child is not employed by an employer that offers any health benefit plan under which the child is eligible for coverage.

(d) After having attained the limiting age, the child has been continuously covered under any health benefit plan.

(e) The child is not eligible for coverage under the medicaid program established under Chapter 5111. of the Revised Code or the medicare program established under Title XVIII of the "Social Security Act," 42 U.S.C. 1395.

(2) That attainment of the limiting age for dependent children shall not operate to terminate the coverage of a dependent child if the child is and continues to be both of the following:

(a) Incapable of self-sustaining employment by reason of mental retardation or physical handicap;

(b) Primarily dependent upon the plan member for support and maintenance.

(B) Proof of incapacity and dependence for purposes of division (A)(2) of this section shall be furnished to the public employee benefit plan within thirty-one days of the child's attainment of the limiting age. Upon request, but not more frequently than annually, the public employee benefit plan may require proof satisfactory to it of the continuance of such incapacity and dependency.

(C) Nothing in this section shall do any of the following:

(1) Require that any public employee benefit plan offer coverage for dependent children or provide coverage for an unmarried dependent child's children as dependents on the public employee benefit plan;

(2) Require an employer to pay for any part of the premium for an unmarried dependent child that has attained the limiting age for dependents, as provided in the plan;

(3) Require an employer to offer health insurance coverage to the dependents of any employee.

(D) This section does not apply to any public employee benefit plan covering only accident, credit, dental, disability income, long-term care, hospital indemnity, medicare supplement, specified disease, or vision care; coverage

under a one-time-limited-duration policy of not longer than six months; coverage issued as a supplement to liability insurance; insurance arising out of a workers' compensation or similar law; automobile medical-payment insurance; or insurance under which benefits are payable with or without regard to fault and which is statutorily required to be contained in any liability insurance policy or equivalent self-insurance.

(E) As used in this section, "health benefit plan" has the same meaning as in section 3924.01 of the Revised Code and also includes both of the following:

(1) A public employee benefit plan;

(2) A health benefit plan as regulated under the "Employee Retirement Income Security Act of 1974," 29 U.S.C. 1001, et seq."

Between lines 86686 and 86687, insert:

"**Sec. 5747.01.** Except as otherwise expressly provided or clearly appearing from the context, any term used in this chapter that is not otherwise defined in this section has the same meaning as when used in a comparable context in the laws of the United States relating to federal income taxes or if not used in a comparable context in those laws, has the same meaning as in section 5733.40 of the Revised Code. Any reference in this chapter to the Internal Revenue Code includes other laws of the United States relating to federal income taxes.

As used in this chapter:

(A) "Adjusted gross income" or "Ohio adjusted gross income" means federal adjusted gross income, as defined and used in the Internal Revenue Code, adjusted as provided in this section:

(1) Add interest or dividends on obligations or securities of any state or of any political subdivision or authority of any state, other than this state and its subdivisions and authorities.

(2) Add interest or dividends on obligations of any authority, commission, instrumentality, territory, or possession of the United States to the extent that the interest or dividends are exempt from federal income taxes but not from state income taxes.

(3) Deduct interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission, or instrumentality of the United States to the extent that the interest or dividends are included in federal adjusted gross income but exempt from state income taxes under the laws of the United States.

(4) Deduct disability and survivor's benefits to the extent included in federal adjusted gross income.

(5) Deduct benefits under Title II of the Social Security Act and tier 1 railroad retirement benefits to the extent included in federal adjusted gross

income under section 86 of the Internal Revenue Code.

(6) In the case of a taxpayer who is a beneficiary of a trust that makes an accumulation distribution as defined in section 665 of the Internal Revenue Code, add, for the beneficiary's taxable years beginning before 2002, the portion, if any, of such distribution that does not exceed the undistributed net income of the trust for the three taxable years preceding the taxable year in which the distribution is made to the extent that the portion was not included in the trust's taxable income for any of the trust's taxable years beginning in 2002 or thereafter. "Undistributed net income of a trust" means the taxable income of the trust increased by (a)(i) the additions to adjusted gross income required under division (A) of this section and (ii) the personal exemptions allowed to the trust pursuant to section 642(b) of the Internal Revenue Code, and decreased by (b)(i) the deductions to adjusted gross income required under division (A) of this section, (ii) the amount of federal income taxes attributable to such income, and (iii) the amount of taxable income that has been included in the adjusted gross income of a beneficiary by reason of a prior accumulation distribution. Any undistributed net income included in the adjusted gross income of a beneficiary shall reduce the undistributed net income of the trust commencing with the earliest years of the accumulation period.

(7) Deduct the amount of wages and salaries, if any, not otherwise allowable as a deduction but that would have been allowable as a deduction in computing federal adjusted gross income for the taxable year, had the targeted jobs credit allowed and determined under sections 38, 51, and 52 of the Internal Revenue Code not been in effect.

(8) Deduct any interest or interest equivalent on public obligations and purchase obligations to the extent that the interest or interest equivalent is included in federal adjusted gross income.

(9) Add any loss or deduct any gain resulting from the sale, exchange, or other disposition of public obligations to the extent that the loss has been deducted or the gain has been included in computing federal adjusted gross income.

(10) Deduct or add amounts, as provided under section 5747.70 of the Revised Code, related to contributions to variable college savings program accounts made or tuition units purchased pursuant to Chapter 3334. of the Revised Code.

(11)(a) Deduct, to the extent not otherwise allowable as a deduction or exclusion in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer paid during the taxable year for medical care insurance and qualified long-term care insurance for the taxpayer, the taxpayer's spouse, and dependents. No deduction for medical care insurance under division (A)(11) of this section shall be allowed either to any taxpayer who is eligible to participate in any subsidized health plan maintained by any employer of the taxpayer or of the taxpayer's spouse, or to any taxpayer who is entitled to, or on

application would be entitled to, benefits under part A of Title XVIII of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as amended. For the purposes of division (A)(11)(a) of this section, "subsidized health plan" means a health plan for which the employer pays any portion of the plan's cost. The deduction allowed under division (A)(11)(a) of this section shall be the net of any related premium refunds, related premium reimbursements, or related insurance premium dividends received during the taxable year.

(b) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income during the taxable year, the amount the taxpayer paid during the taxable year, not compensated for by any insurance or otherwise, for medical care of the taxpayer, the taxpayer's spouse, and dependents, to the extent the expenses exceed seven and one-half per cent of the taxpayer's federal adjusted gross income.

(c) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income, any amount included in federal adjusted gross income under section 105 or not excluded under section 106 of the Internal Revenue Code solely because it relates to an accident and health plan for a person who otherwise would be a "qualifying relative" and thus a "dependent" under section 152 of the Internal Revenue Code but for the fact that the person fails to meet the income and support limitations under section 152(d)(1)(B) and (C) of the Internal Revenue Code.

(d) For purposes of division (A)(11) of this section, "medical care" has the meaning given in section 213 of the Internal Revenue Code, subject to the special rules, limitations, and exclusions set forth therein, and "qualified long-term care" has the same meaning given in section 7702B(c) of the Internal Revenue Code. Solely for purposes of divisions (A)(11)(a) and (c) of this section, "dependent" includes a person who otherwise would be a "qualifying relative" and thus a "dependent" under section 152 of the Internal Revenue Code but for the fact that the person fails to meet the income and support limitations under section 152(d)(1)(B) and (C) of the Internal Revenue Code.

(12)(a) Deduct any amount included in federal adjusted gross income solely because the amount represents a reimbursement or refund of expenses that in any year the taxpayer had deducted as an itemized deduction pursuant to section 63 of the Internal Revenue Code and applicable United States department of the treasury regulations. The deduction otherwise allowed under division (A)(12)(a) of this section shall be reduced to the extent the reimbursement is attributable to an amount the taxpayer deducted under this section in any taxable year.

(b) Add any amount not otherwise included in Ohio adjusted gross income for any taxable year to the extent that the amount is attributable to the recovery during the taxable year of any amount deducted or excluded in computing federal or Ohio adjusted gross income in any taxable year.

(13) Deduct any portion of the deduction described in section 1341(a)(2)

of the Internal Revenue Code, for repaying previously reported income received under a claim of right, that meets both of the following requirements:

(a) It is allowable for repayment of an item that was included in the taxpayer's adjusted gross income for a prior taxable year and did not qualify for a credit under division (A) or (B) of section 5747.05 of the Revised Code for that year;

(b) It does not otherwise reduce the taxpayer's adjusted gross income for the current or any other taxable year.

(14) Deduct an amount equal to the deposits made to, and net investment earnings of, a medical savings account during the taxable year, in accordance with section 3924.66 of the Revised Code. The deduction allowed by division (A)(14) of this section does not apply to medical savings account deposits and earnings otherwise deducted or excluded for the current or any other taxable year from the taxpayer's federal adjusted gross income.

(15)(a) Add an amount equal to the funds withdrawn from a medical savings account during the taxable year, and the net investment earnings on those funds, when the funds withdrawn were used for any purpose other than to reimburse an account holder for, or to pay, eligible medical expenses, in accordance with section 3924.66 of the Revised Code;

(b) Add the amounts distributed from a medical savings account under division (A)(2) of section 3924.68 of the Revised Code during the taxable year.

(16) Add any amount claimed as a credit under section 5747.059 of the Revised Code to the extent that such amount satisfies either of the following:

(a) The amount was deducted or excluded from the computation of the taxpayer's federal adjusted gross income as required to be reported for the taxpayer's taxable year under the Internal Revenue Code;

(b) The amount resulted in a reduction of the taxpayer's federal adjusted gross income as required to be reported for any of the taxpayer's taxable years under the Internal Revenue Code.

(17) Deduct the amount contributed by the taxpayer to an individual development account program established by a county department of job and family services pursuant to sections 329.11 to 329.14 of the Revised Code for the purpose of matching funds deposited by program participants. On request of the tax commissioner, the taxpayer shall provide any information that, in the tax commissioner's opinion, is necessary to establish the amount deducted under division (A)(17) of this section.

(18) Beginning in taxable year 2001 but not for any taxable year beginning after December 31, 2005, if the taxpayer is married and files a joint return and the combined federal adjusted gross income of the taxpayer and the taxpayer's spouse for the taxable year does not exceed one hundred thousand dollars, or if the taxpayer is single and has a federal adjusted gross income for

the taxable year not exceeding fifty thousand dollars, deduct amounts paid during the taxable year for qualified tuition and fees paid to an eligible institution for the taxpayer, the taxpayer's spouse, or any dependent of the taxpayer, who is a resident of this state and is enrolled in or attending a program that culminates in a degree or diploma at an eligible institution. The deduction may be claimed only to the extent that qualified tuition and fees are not otherwise deducted or excluded for any taxable year from federal or Ohio adjusted gross income. The deduction may not be claimed for educational expenses for which the taxpayer claims a credit under section 5747.27 of the Revised Code.

(19) Add any reimbursement received during the taxable year of any amount the taxpayer deducted under division (A)(18) of this section in any previous taxable year to the extent the amount is not otherwise included in Ohio adjusted gross income.

(20)(a)(i) Add five-sixths of the amount of depreciation expense allowed by subsection (k) of section 168 of the Internal Revenue Code, including the taxpayer's proportionate or distributive share of the amount of depreciation expense allowed by that subsection to a pass-through entity in which the taxpayer has a direct or indirect ownership interest.

(ii) Add five-sixths of the amount of qualifying section 179 depreciation expense, including a person's proportionate or distributive share of the amount of qualifying section 179 depreciation expense allowed to any pass-through entity in which the person has a direct or indirect ownership. For the purposes of this division, "qualifying section 179 depreciation expense" means the difference between (I) the amount of depreciation expense directly or indirectly allowed to the taxpayer under section 179 of the Internal Revenue Code, and (II) the amount of depreciation expense directly or indirectly allowed to the taxpayer under section 179 of the Internal Revenue Code as that section existed on December 31, 2002.

The tax commissioner, under procedures established by the commissioner, may waive the add-backs related to a pass-through entity if the taxpayer owns, directly or indirectly, less than five per cent of the pass-through entity.

(b) Nothing in division (A)(20) of this section shall be construed to adjust or modify the adjusted basis of any asset.

(c) To the extent the add-back required under division (A)(20)(a) of this section is attributable to property generating nonbusiness income or loss allocated under section 5747.20 of the Revised Code, the add-back shall be situsedto the same location as the nonbusiness income or loss generated by the property for the purpose of determining the credit under division (A) of section 5747.05 of the Revised Code. Otherwise, the add-back shall be apportioned, subject to one or more of the four alternative methods of apportionment enumerated in section 5747.21 of the Revised Code.

(d) For the purposes of division (A) of this section, net operating loss carryback and carryforward shall not include five-sixths of the allowance of any net operating loss deduction carryback or carryforward to the taxable year to the extent such loss resulted from depreciation allowed by section 168(k) of the Internal Revenue Code and by the qualifying section 179 depreciation expense amount.

(21)(a) If the taxpayer was required to add an amount under division (A)(20)(a) of this section for a taxable year, deduct one-fifth of the amount so added for each of the five succeeding taxable years.

(b) If the amount deducted under division (A)(21)(a) of this section is attributable to an add-back allocated under division (A)(20)(c) of this section, the amount deducted shall be sitused to the same location. Otherwise, the add-back shall be apportioned using the apportionment factors for the taxable year in which the deduction is taken, subject to one or more of the four alternative methods of apportionment enumerated in section 5747.21 of the Revised Code.

(c) No deduction is available under division (A)(21)(a) of this section with regard to any depreciation allowed by section 168(k) of the Internal Revenue Code and by the qualifying section 179 depreciation expense amount to the extent that such depreciation resulted in or increased a federal net operating loss carryback or carryforward to a taxable year to which division (A)(20)(d) of this section does not apply.

(22) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer received during the taxable year as reimbursement for life insurance premiums under section 5919.31 of the Revised Code.

(23) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer received during the taxable year as a death benefit paid by the adjutant general under section 5919.33 of the Revised Code.

(24) Deduct, to the extent included in federal adjusted gross income and not otherwise allowable as a deduction or exclusion in computing federal or Ohio adjusted gross income for the taxable year, military pay and allowances received by the taxpayer during the taxable year for active duty service in the United States army, air force, navy, marine corps, or coast guard or reserve components thereof or the national guard. The deduction may not be claimed for military pay and allowances received by the taxpayer while the taxpayer is stationed in this state.

(25) Deduct, to the extent not otherwise allowable as a deduction or exclusion in computing federal or Ohio adjusted gross income for the taxable year and not otherwise compensated for by any other source, the amount of qualified organ donation expenses incurred by the taxpayer during the taxable year, not to exceed ten thousand dollars. A taxpayer may deduct qualified organ

donation expenses only once for all taxable years beginning with taxable years beginning in 2007.

For the purposes of division (A)(25) of this section:

(a) "Human organ" means all or any portion of a human liver, pancreas, kidney, intestine, or lung, and any portion of human bone marrow.

(b) "Qualified organ donation expenses" means travel expenses, lodging expenses, and wages and salary forgone by a taxpayer in connection with the taxpayer's donation, while living, of one or more of the taxpayer's human organs to another human being.

(26) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, amounts received by the taxpayer as retired military personnel pay for service in the United States army, navy, air force, coast guard, or marine corps or reserve components thereof, or the national guard, or received by the surviving spouse or former spouse of such a taxpayer under the survivor benefit plan on account of such a taxpayer's death. If the taxpayer receives income on account of retirement paid under the federal civil service retirement system or federal employees retirement system, or under any successor retirement program enacted by the congress of the United States that is established and maintained for retired employees of the United States government, and such retirement income is based, in whole or in part, on credit for the taxpayer's military service, the deduction allowed under this division shall include only that portion of such retirement income that is attributable to the taxpayer's military service, to the extent that portion of such retirement income is otherwise included in federal adjusted gross income and is not otherwise deducted under this section. Any amount deducted under division (A)(26) of this section is not included in a taxpayer's adjusted gross income for the purposes of section 5747.055 of the Revised Code. No amount may be deducted under division (A)(26) of this section on the basis of which a credit was claimed under section 5747.055 of the Revised Code.

(27) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer received during the taxable year from the military injury relief fund created in section 5101.98 of the Revised Code.

(B) "Business income" means income, including gain or loss, arising from transactions, activities, and sources in the regular course of a trade or business and includes income, gain, or loss from real property, tangible property, and intangible property if the acquisition, rental, management, and disposition of the property constitute integral parts of the regular course of a trade or business operation. "Business income" includes income, including gain or loss, from a partial or complete liquidation of a business, including, but not limited to, gain or loss from the sale or other disposition of goodwill.

(C) "Nonbusiness income" means all income other than business income

and may include, but is not limited to, compensation, rents and royalties from real or tangible personal property, capital gains, interest, dividends and distributions, patent or copyright royalties, or lottery winnings, prizes, and awards.

(D) "Compensation" means any form of remuneration paid to an employee for personal services.

(E) "Fiduciary" means a guardian, trustee, executor, administrator, receiver, conservator, or any other person acting in any fiduciary capacity for any individual, trust, or estate.

(F) "Fiscal year" means an accounting period of twelve months ending on the last day of any month other than December.

(G) "Individual" means any natural person.

(H) "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended.

(I) "Resident" means any of the following, provided that division (I)(3) of this section applies only to taxable years of a trust beginning in 2002 or thereafter:

(1) An individual who is domiciled in this state, subject to section 5747.24 of the Revised Code;

(2) The estate of a decedent who at the time of death was domiciled in this state. The domicile tests of section 5747.24 of the Revised Code are not controlling for purposes of division (I)(2) of this section.

(3) A trust that, in whole or part, resides in this state. If only part of a trust resides in this state, the trust is a resident only with respect to that part.

For the purposes of division (I)(3) of this section:

(a) A trust resides in this state for the trust's current taxable year to the extent, as described in division (I)(3)(d) of this section, that the trust consists directly or indirectly, in whole or in part, of assets, net of any related liabilities, that were transferred, or caused to be transferred, directly or indirectly, to the trust by any of the following:

(i) A person, a court, or a governmental entity or instrumentality on account of the death of a decedent, but only if the trust is described in division (I)(3)(e)(i) or (ii) of this section;

(ii) A person who was domiciled in this state for the purposes of this chapter when the person directly or indirectly transferred assets to an irrevocable trust, but only if at least one of the trust's qualifying beneficiaries is domiciled in this state for the purposes of this chapter during all or some portion of the trust's current taxable year;

(iii) A person who was domiciled in this state for the purposes of this

chapter when the trust document or instrument or part of the trust document or instrument became irrevocable, but only if at least one of the trust's qualifying beneficiaries is a resident domiciled in this state for the purposes of this chapter during all or some portion of the trust's current taxable year. If a trust document or instrument became irrevocable upon the death of a person who at the time of death was domiciled in this state for purposes of this chapter, that person is a person described in division (I)(3)(a)(iii) of this section.

(b) A trust is irrevocable to the extent that the transferor is not considered to be the owner of the net assets of the trust under sections 671 to 678 of the Internal Revenue Code.

(c) With respect to a trust other than a charitable lead trust, "qualifying beneficiary" has the same meaning as "potential current beneficiary" as defined in section 1361(e)(2) of the Internal Revenue Code, and with respect to a charitable lead trust "qualifying beneficiary" is any current, future, or contingent beneficiary, but with respect to any trust "qualifying beneficiary" excludes a person or a governmental entity or instrumentality to any of which a contribution would qualify for the charitable deduction under section 170 of the Internal Revenue Code.

(d) For the purposes of division (I)(3)(a) of this section, the extent to which a trust consists directly or indirectly, in whole or in part, of assets, net of any related liabilities, that were transferred directly or indirectly, in whole or part, to the trust by any of the sources enumerated in that division shall be ascertained by multiplying the fair market value of the trust's assets, net of related liabilities, by the qualifying ratio, which shall be computed as follows:

(i) The first time the trust receives assets, the numerator of the qualifying ratio is the fair market value of those assets at that time, net of any related liabilities, from sources enumerated in division (I)(3)(a) of this section. The denominator of the qualifying ratio is the fair market value of all the trust's assets at that time, net of any related liabilities.

(ii) Each subsequent time the trust receives assets, a revised qualifying ratio shall be computed. The numerator of the revised qualifying ratio is the sum of (1) the fair market value of the trust's assets immediately prior to the subsequent transfer, net of any related liabilities, multiplied by the qualifying ratio last computed without regard to the subsequent transfer, and (2) the fair market value of the subsequently transferred assets at the time transferred, net of any related liabilities, from sources enumerated in division (I)(3)(a) of this section. The denominator of the revised qualifying ratio is the fair market value of all the trust's assets immediately after the subsequent transfer, net of any related liabilities.

(iii) Whether a transfer to the trust is by or from any of the sources enumerated in division (I)(3)(a) of this section shall be ascertained without regard to the domicile of the trust's beneficiaries.

(e) For the purposes of division (I)(3)(a)(i) of this section:

(i) A trust is described in division (I)(3)(e)(i) of this section if the trust is a testamentary trust and the testator of that testamentary trust was domiciled in this state at the time of the testator's death for purposes of the taxes levied under Chapter 5731. of the Revised Code.

(ii) A trust is described in division (I)(3)(e)(ii) of this section if the transfer is a qualifying transfer described in any of divisions (I)(3)(f)(i) to (vi) of this section, the trust is an irrevocable inter vivos trust, and at least one of the trust's qualifying beneficiaries is domiciled in this state for purposes of this chapter during all or some portion of the trust's current taxable year.

(f) For the purposes of division (I)(3)(e)(ii) of this section, a "qualifying transfer" is a transfer of assets, net of any related liabilities, directly or indirectly to a trust, if the transfer is described in any of the following:

(i) The transfer is made to a trust, created by the decedent before the decedent's death and while the decedent was domiciled in this state for the purposes of this chapter, and, prior to the death of the decedent, the trust became irrevocable while the decedent was domiciled in this state for the purposes of this chapter.

(ii) The transfer is made to a trust to which the decedent, prior to the decedent's death, had directly or indirectly transferred assets, net of any related liabilities, while the decedent was domiciled in this state for the purposes of this chapter, and prior to the death of the decedent the trust became irrevocable while the decedent was domiciled in this state for the purposes of this chapter.

(iii) The transfer is made on account of a contractual relationship existing directly or indirectly between the transferor and either the decedent or the estate of the decedent at any time prior to the date of the decedent's death, and the decedent was domiciled in this state at the time of death for purposes of the taxes levied under Chapter 5731. of the Revised Code.

(iv) The transfer is made to a trust on account of a contractual relationship existing directly or indirectly between the transferor and another person who at the time of the decedent's death was domiciled in this state for purposes of this chapter.

(v) The transfer is made to a trust on account of the will of a testator.

(vi) The transfer is made to a trust created by or caused to be created by a court, and the trust was directly or indirectly created in connection with or as a result of the death of an individual who, for purposes of the taxes levied under Chapter 5731. of the Revised Code, was domiciled in this state at the time of the individual's death.

(g) The tax commissioner may adopt rules to ascertain the part of a trust residing in this state.

(J) "Nonresident" means an individual or estate that is not a resident. An individual who is a resident for only part of a taxable year is a nonresident for

the remainder of that taxable year.

(K) "Pass-through entity" has the same meaning as in section 5733.04 of the Revised Code.

(L) "Return" means the notifications and reports required to be filed pursuant to this chapter for the purpose of reporting the tax due and includes declarations of estimated tax when so required.

(M) "Taxable year" means the calendar year or the taxpayer's fiscal year ending during the calendar year, or fractional part thereof, upon which the adjusted gross income is calculated pursuant to this chapter.

(N) "Taxpayer" means any person subject to the tax imposed by section 5747.02 of the Revised Code or any pass-through entity that makes the election under division (D) of section 5747.08 of the Revised Code.

(O) "Dependents" means dependents as defined in the Internal Revenue Code and as claimed in the taxpayer's federal income tax return for the taxable year or which the taxpayer would have been permitted to claim had the taxpayer filed a federal income tax return.

(P) "Principal county of employment" means, in the case of a nonresident, the county within the state in which a taxpayer performs services for an employer or, if those services are performed in more than one county, the county in which the major portion of the services are performed.

(Q) As used in sections 5747.50 to 5747.55 of the Revised Code:

(1) "Subdivision" means any county, municipal corporation, park district, or township.

(2) "Essential local government purposes" includes all functions that any subdivision is required by general law to exercise, including like functions that are exercised under a charter adopted pursuant to the Ohio Constitution.

(R) "Overpayment" means any amount already paid that exceeds the figure determined to be the correct amount of the tax.

(S) "Taxable income" or "Ohio taxable income" applies only to estates and trusts, and means federal taxable income, as defined and used in the Internal Revenue Code, adjusted as follows:

(1) Add interest or dividends, net of ordinary, necessary, and reasonable expenses not deducted in computing federal taxable income, on obligations or securities of any state or of any political subdivision or authority of any state, other than this state and its subdivisions and authorities, but only to the extent that such net amount is not otherwise includible in Ohio taxable income and is described in either division (S)(1)(a) or (b) of this section:

(a) The net amount is not attributable to the S portion of an electing small business trust and has not been distributed to beneficiaries for the taxable year;

(b) The net amount is attributable to the S portion of an electing small business trust for the taxable year.

(2) Add interest or dividends, net of ordinary, necessary, and reasonable expenses not deducted in computing federal taxable income, on obligations of any authority, commission, instrumentality, territory, or possession of the United States to the extent that the interest or dividends are exempt from federal income taxes but not from state income taxes, but only to the extent that such net amount is not otherwise includible in Ohio taxable income and is described in either division (S)(1)(a) or (b) of this section;

(3) Add the amount of personal exemption allowed to the estate pursuant to section 642(b) of the Internal Revenue Code;

(4) Deduct interest or dividends, net of related expenses deducted in computing federal taxable income, on obligations of the United States and its territories and possessions or of any authority, commission, or instrumentality of the United States to the extent that the interest or dividends are exempt from state taxes under the laws of the United States, but only to the extent that such amount is included in federal taxable income and is described in either division (S)(1)(a) or (b) of this section;

(5) Deduct the amount of wages and salaries, if any, not otherwise allowable as a deduction but that would have been allowable as a deduction in computing federal taxable income for the taxable year, had the targeted jobs credit allowed under sections 38, 51, and 52 of the Internal Revenue Code not been in effect, but only to the extent such amount relates either to income included in federal taxable income for the taxable year or to income of the S portion of an electing small business trust for the taxable year;

(6) Deduct any interest or interest equivalent, net of related expenses deducted in computing federal taxable income, on public obligations and purchase obligations, but only to the extent that such net amount relates either to income included in federal taxable income for the taxable year or to income of the S portion of an electing small business trust for the taxable year;

(7) Add any loss or deduct any gain resulting from sale, exchange, or other disposition of public obligations to the extent that such loss has been deducted or such gain has been included in computing either federal taxable income or income of the S portion of an electing small business trust for the taxable year;

(8) Except in the case of the final return of an estate, add any amount deducted by the taxpayer on both its Ohio estate tax return pursuant to section 5731.14 of the Revised Code, and on its federal income tax return in determining federal taxable income;

(9)(a) Deduct any amount included in federal taxable income solely because the amount represents a reimbursement or refund of expenses that in a previous year the decedent had deducted as an itemized deduction pursuant to

section 63 of the Internal Revenue Code and applicable treasury regulations. The deduction otherwise allowed under division (S)(9)(a) of this section shall be reduced to the extent the reimbursement is attributable to an amount the taxpayer or decedent deducted under this section in any taxable year.

(b) Add any amount not otherwise included in Ohio taxable income for any taxable year to the extent that the amount is attributable to the recovery during the taxable year of any amount deducted or excluded in computing federal or Ohio taxable income in any taxable year, but only to the extent such amount has not been distributed to beneficiaries for the taxable year.

(10) Deduct any portion of the deduction described in section 1341(a)(2) of the Internal Revenue Code, for repaying previously reported income received under a claim of right, that meets both of the following requirements:

(a) It is allowable for repayment of an item that was included in the taxpayer's taxable income or the decedent's adjusted gross income for a prior taxable year and did not qualify for a credit under division (A) or (B) of section 5747.05 of the Revised Code for that year.

(b) It does not otherwise reduce the taxpayer's taxable income or the decedent's adjusted gross income for the current or any other taxable year.

(11) Add any amount claimed as a credit under section 5747.059 of the Revised Code to the extent that the amount satisfies either of the following:

(a) The amount was deducted or excluded from the computation of the taxpayer's federal taxable income as required to be reported for the taxpayer's taxable year under the Internal Revenue Code;

(b) The amount resulted in a reduction in the taxpayer's federal taxable income as required to be reported for any of the taxpayer's taxable years under the Internal Revenue Code.

(12) Deduct any amount, net of related expenses deducted in computing federal taxable income, that a trust is required to report as farm income on its federal income tax return, but only if the assets of the trust include at least ten acres of land satisfying the definition of "land devoted exclusively to agricultural use" under section 5713.30 of the Revised Code, regardless of whether the land is valued for tax purposes as such land under sections 5713.30 to 5713.38 of the Revised Code. If the trust is a pass-through entity investor, section 5747.231 of the Revised Code applies in ascertaining if the trust is eligible to claim the deduction provided by division (S)(12) of this section in connection with the pass-through entity's farm income.

Except for farm income attributable to the S portion of an electing small business trust, the deduction provided by division (S)(12) of this section is allowed only to the extent that the trust has not distributed such farm income. Division (S)(12) of this section applies only to taxable years of a trust beginning in 2002 or thereafter.

(13) Add the net amount of income described in section 641(c) of the Internal Revenue Code to the extent that amount is not included in federal taxable income.

(14) Add or deduct the amount the taxpayer would be required to add or deduct under division (A)(20) or (21) of this section if the taxpayer's Ohio taxable income were computed in the same manner as an individual's Ohio adjusted gross income is computed under this section. In the case of a trust, division (S)(14) of this section applies only to any of the trust's taxable years beginning in 2002 or thereafter.

(T) "School district income" and "school district income tax" have the same meanings as in section 5748.01 of the Revised Code.

(U) As used in divisions (A)(8), (A)(9), (S)(6), and (S)(7) of this section, "public obligations," "purchase obligations," and "interest or interest equivalent" have the same meanings as in section 5709.76 of the Revised Code.

(V) "Limited liability company" means any limited liability company formed under Chapter 1705. of the Revised Code or under the laws of any other state.

(W) "Pass-through entity investor" means any person who, during any portion of a taxable year of a pass-through entity, is a partner, member, shareholder, or equity investor in that pass-through entity.

(X) "Banking day" has the same meaning as in section 1304.01 of the Revised Code.

(Y) "Month" means a calendar month.

(Z) "Quarter" means the first three months, the second three months, the third three months, or the last three months of the taxpayer's taxable year.

(AA)(1) "Eligible institution" means a state university or state institution of higher education as defined in section 3345.011 of the Revised Code, or a private, nonprofit college, university, or other post-secondary institution located in this state that possesses a certificate of authorization issued by the Ohio board of regents pursuant to Chapter 1713. of the Revised Code or a certificate of registration issued by the state board of career colleges and schools under Chapter 3332. of the Revised Code.

(2) "Qualified tuition and fees" means tuition and fees imposed by an eligible institution as a condition of enrollment or attendance, not exceeding two thousand five hundred dollars in each of the individual's first two years of post-secondary education. If the individual is a part-time student, "qualified tuition and fees" includes tuition and fees paid for the academic equivalent of the first two years of post-secondary education during a maximum of five taxable years, not exceeding a total of five thousand dollars. "Qualified tuition and fees" does not include:

(a) Expenses for any course or activity involving sports, games, or

hobbies unless the course or activity is part of the individual's degree or diploma program;

(b) The cost of books, room and board, student activity fees, athletic fees, insurance expenses, or other expenses unrelated to the individual's academic course of instruction;

(c) Tuition, fees, or other expenses paid or reimbursed through an employer, scholarship, grant in aid, or other educational benefit program.

(BB)(1) "Modified business income" means the business income included in a trust's Ohio taxable income after such taxable income is first reduced by the qualifying trust amount, if any.

(2) "Qualifying trust amount" of a trust means capital gains and losses from the sale, exchange, or other disposition of equity or ownership interests in, or debt obligations of, a qualifying investee to the extent included in the trust's Ohio taxable income, but only if the following requirements are satisfied:

(a) The book value of the qualifying investee's physical assets in this state and everywhere, as of the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the date on which the trust recognizes the gain or loss, is available to the trust.

(b) The requirements of section 5747.011 of the Revised Code are satisfied for the trust's taxable year in which the trust recognizes the gain or loss.

Any gain or loss that is not a qualifying trust amount is modified business income, qualifying investment income, or modified nonbusiness income, as the case may be.

(3) "Modified nonbusiness income" means a trust's Ohio taxable income other than modified business income, other than the qualifying trust amount, and other than qualifying investment income, as defined in section 5747.012 of the Revised Code, to the extent such qualifying investment income is not otherwise part of modified business income.

(4) "Modified Ohio taxable income" applies only to trusts, and means the sum of the amounts described in divisions (BB)(4)(a) to (c) of this section:

(a) The fraction, calculated under section 5747.013, and applying section 5747.231 of the Revised Code, multiplied by the sum of the following amounts:

(i) The trust's modified business income;

(ii) The trust's qualifying investment income, as defined in section 5747.012 of the Revised Code, but only to the extent the qualifying investment income does not otherwise constitute modified business income and does not otherwise constitute a qualifying trust amount.

(b) The qualifying trust amount multiplied by a fraction, the numerator of which is the sum of the book value of the qualifying investee's physical assets in this state on the last day of the qualifying investee's fiscal or calendar year

ending immediately prior to the day on which the trust recognizes the qualifying trust amount, and the denominator of which is the sum of the book value of the qualifying investee's total physical assets everywhere on the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the day on which the trust recognizes the qualifying trust amount. If, for a taxable year, the trust recognizes a qualifying trust amount with respect to more than one qualifying investee, the amount described in division (BB)(4)(b) of this section shall equal the sum of the products so computed for each such qualifying investee.

(c)(i) With respect to a trust or portion of a trust that is a resident as ascertained in accordance with division (I)(3)(d) of this section, its modified nonbusiness income.

(ii) With respect to a trust or portion of a trust that is not a resident as ascertained in accordance with division (I)(3)(d) of this section, the amount of its modified nonbusiness income satisfying the descriptions in divisions (B)(2) to (5) of section 5747.20 of the Revised Code, except as otherwise provided in division (BB)(4)(c)(ii) of this section. With respect to a trust or portion of a trust that is not a resident as ascertained in accordance with division (I)(3)(d) of this section, the trust's portion of modified nonbusiness income recognized from the sale, exchange, or other disposition of a debt interest in or equity interest in a section 5747.212 entity, as defined in section 5747.212 of the Revised Code, without regard to division (A) of that section, shall not be allocated to this state in accordance with section 5747.20 of the Revised Code but shall be apportioned to this state in accordance with division (B) of section 5747.212 of the Revised Code without regard to division (A) of that section.

If the allocation and apportionment of a trust's income under divisions (BB)(4)(a) and (c) of this section do not fairly represent the modified Ohio taxable income of the trust in this state, the alternative methods described in division (C) of section 5747.21 of the Revised Code may be applied in the manner and to the same extent provided in that section.

(5)(a) Except as set forth in division (BB)(5)(b) of this section, "qualifying investee" means a person in which a trust has an equity or ownership interest, or a person or unit of government the debt obligations of either of which are owned by a trust. For the purposes of division (BB)(2)(a) of this section and for the purpose of computing the fraction described in division (BB)(4)(b) of this section, all of the following apply:

(i) If the qualifying investee is a member of a qualifying controlled group on the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the date on which the trust recognizes the gain or loss, then "qualifying investee" includes all persons in the qualifying controlled group on such last day.

(ii) If the qualifying investee, or if the qualifying investee and any members of the qualifying controlled group of which the qualifying investee is a

member on the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the date on which the trust recognizes the gain or loss, separately or cumulatively own, directly or indirectly, on the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the date on which the trust recognizes the qualifying trust amount, more than fifty per cent of the equity of a pass-through entity, then the qualifying investee and the other members are deemed to own the proportionate share of the pass-through entity's physical assets which the pass-through entity directly or indirectly owns on the last day of the pass-through entity's calendar or fiscal year ending within or with the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the date on which the trust recognizes the qualifying trust amount.

(iii) For the purposes of division (BB)(5)(a)(iii) of this section, "upper level pass-through entity" means a pass-through entity directly or indirectly owning any equity of another pass-through entity, and "lower level pass-through entity" means that other pass-through entity.

An upper level pass-through entity, whether or not it is also a qualifying investee, is deemed to own, on the last day of the upper level pass-through entity's calendar or fiscal year, the proportionate share of the lower level pass-through entity's physical assets that the lower level pass-through entity directly or indirectly owns on the last day of the lower level pass-through entity's calendar or fiscal year ending within or with the last day of the upper level pass-through entity's fiscal or calendar year. If the upper level pass-through entity directly and indirectly owns less than fifty per cent of the equity of the lower level pass-through entity on each day of the upper level pass-through entity's calendar or fiscal year in which or with which ends the calendar or fiscal year of the lower level pass-through entity and if, based upon clear and convincing evidence, complete information about the location and cost of the physical assets of the lower pass-through entity is not available to the upper level pass-through entity, then solely for purposes of ascertaining if a gain or loss constitutes a qualifying trust amount, the upper level pass-through entity shall be deemed as owning no equity of the lower level pass-through entity for each day during the upper level pass-through entity's calendar or fiscal year in which or with which ends the lower level pass-through entity's calendar or fiscal year. Nothing in division (BB)(5)(a)(iii) of this section shall be construed to provide for any deduction or exclusion in computing any trust's Ohio taxable income.

(b) With respect to a trust that is not a resident for the taxable year and with respect to a part of a trust that is not a resident for the taxable year, "qualifying investee" for that taxable year does not include a C corporation if both of the following apply:

(i) During the taxable year the trust or part of the trust recognizes a gain or loss from the sale, exchange, or other disposition of equity or ownership interests in, or debt obligations of, the C corporation.

(ii) Such gain or loss constitutes nonbusiness income.

(6) "Available" means information is such that a person is able to learn of the information by the due date plus extensions, if any, for filing the return for the taxable year in which the trust recognizes the gain or loss.

(CC) "Qualifying controlled group" has the same meaning as in section 5733.04 of the Revised Code.

(DD) "Related member" has the same meaning as in section 5733.042 of the Revised Code.

(EE)(1) For the purposes of division (EE) of this section:

(a) "Qualifying person" means any person other than a qualifying corporation.

(b) "Qualifying corporation" means any person classified for federal income tax purposes as an association taxable as a corporation, except either of the following:

(i) A corporation that has made an election under subchapter S, chapter one, subtitle A, of the Internal Revenue Code for its taxable year ending within, or on the last day of, the investor's taxable year;

(ii) A subsidiary that is wholly owned by any corporation that has made an election under subchapter S, chapter one, subtitle A of the Internal Revenue Code for its taxable year ending within, or on the last day of, the investor's taxable year.

(2) For the purposes of this chapter, unless expressly stated otherwise, no qualifying person indirectly owns any asset directly or indirectly owned by any qualifying corporation.

(FF) For purposes of this chapter and Chapter 5751. of the Revised Code:

(1) "Trust" does not include a qualified pre-income tax trust.

(2) A "qualified pre-income tax trust" is any pre-income tax trust that makes a qualifying pre-income tax trust election as described in division (FF)(3) of this section.

(3) A "qualifying pre-income tax trust election" is an election by a pre-income tax trust to subject to the tax imposed by section 5751.02 of the Revised Code the pre-income tax trust and all pass-through entities of which the trust owns or controls, directly, indirectly, or constructively through related interests, five per cent or more of the ownership or equity interests. The trustee shall notify the tax commissioner in writing of the election on or before April 15, 2006. The election, if timely made, shall be effective on and after January 1, 2006, and shall apply for all tax periods and tax years until revoked by the trustee of the trust.

(4) A "pre-income tax trust" is a trust that satisfies all of the following requirements:

(a) The document or instrument creating the trust was executed by the grantor before January 1, 1972;

(b) The trust became irrevocable upon the creation of the trust; and

(c) The grantor was domiciled in this state at the time the trust was created."

In line 90835, after "1751.05," insert "1751.14,"

In line 90875, after "3923.11," insert "3923.24,"

In line 90917, after "5743.61," insert "5747.01,"

Between lines 106414 and 106415, insert:

"**Section ____.** Section 1751.14 of the Revised Code, as amended by this act, shall apply only to policies, contracts, and agreements that are delivered, issued for delivery, or renewed in this state on or after July 1, 2010; section 3923.24 of the Revised Code, as amended by this act, shall apply only to policies of sickness and accident insurance and plans of health coverage that are established or modified in this state on or after July 1, 2010; and section 3923.241, as enacted by this act, shall apply only to public employee health plans established or modified in this state on or after July 1, 2010."

In line 106415, delete "Section" and insert "Sections"; after "718.04" insert "and 5747.01"

In line 106416, delete "applies" and insert "apply"

In line 106492, after "sections" insert "1739.05, 1751.14, 3923.24, 3923.241,"; delete "and" and insert a comma; after "5743.61" insert ", and 5747.01"

In line 54 of the title, after "1751.05," insert "1751.14,"

In line 110 of the title, after "3923.11," insert "3923.24,"

In line 167 of the title, after "5743.61," insert "5747.01,"

In line 206 of the title, after "3903.77," insert "3923.241,"

In line 54880, strike through "any" and insert " a"

In line 54882, delete " an" and insert " any"

In line 55000, reinsert "As used in division (I)"; reinsert "of this section:"

Reinsert lines 55001 through 55004

Between lines 92256 and 92257, insert:

"**Section ____.** ENERGY STRATEGY DEVELOPMENT

The Ohio Air Quality Development Authority shall establish the Energy Strategy Development Program for the purpose of developing energy initiatives, projects, and policy for the state. Issues addressed by such initiatives, projects,

and policy shall not be limited to those governed by Chapter 3706. of the Revised Code.

There is hereby created in the state treasury the Energy Strategy Development Fund (Fund 5EG0). The fund shall consist of money credited to it and money obtained for advanced energy projects from federal or private grants, loans, or other sources. Money in the fund shall be used to carry out the purposes of the program. Interest earned on the money in the fund shall be credited to the General Revenue Fund.

On July 1 of each fiscal year, or as soon as possible thereafter, the Director of Budget and Management may transfer cash from the funds specified below, in the amounts specified below, to the Energy Strategy Development Fund. Fund 5EG0 may accept contributions and transfers made to the fund. On July 1, 2012, or as soon as possible thereafter, the Director shall transfer to the General Revenue Fund all cash credited to Fund 5EG0. Upon completion of the transfer, Fund 5EG0 is abolished.

Fund	Fund Name	User	FY 2010	FY 2011
1170	Office Services	Dept. of Administrative Services	$35,000	$35,000
5GH0	Central Support Indirect Cost	Dept. of Agriculture	$35,000	$35,000
1350	Supportive Services	Dept. of Development	$35,000	$35,000
2190	Central Support Indirect Cost	Environmental Protection Agency	$35,000	$35,000
1570	Central Support Indirect Chargeback	Dept. of Natural Resources	$35,000	$35,000
7002	Highway Operating	Dept. of Transportation	$50,000	$50,000"

Between lines 93474 and 93475, insert:

"Notwithstanding Chapter 166. of the Revised Code, on the first day of July of each year of the biennium, or as soon as possible thereafter, the Director of Budget and Management, at the request of the Director of Development, may transfer $6,102,500 in cash from the Facilities Establishment Fund (Fund 7037) to the General Revenue Fund. The amount transferred is hereby appropriated for each fiscal year in appropriation item 195412, Rapid Outreach Grants."

Delete lines 93483 through 93539

Between lines 93707 and 93708, insert:

"**Section 259.__.__.** CORRECTIVE CASH TRANSFERS

On July 1, 2009, or as soon as possible thereafter, the Director of Budget and Management, upon request from the Director of Development, shall transfer up to $130,000 in cash from the Low- and Moderate-Income Housing Trust Fund (Fund 6460) to the HOME Program Fund (Fund 3V10) to correct deposits that were mistakenly deposited in Fund 6460.

On July 1, 2009, or as soon as possible thereafter, the Director of Budget and Management, upon request from the Director of Development, shall transfer up to $6,660 in cash from the Low- and Moderate-Income Housing Trust Fund

(Fund 6460) to the Community Development Block Grant Fund (Fund 3K80) to correct deposits that were mistakenly deposited in Fund 6460."

Delete lines 97137 through 97142

In line 99964, delete "$32,000,000 $32,000,000" and insert "$34,455,627 $34,455,627"

In line 99965, delete "$125,000 $125,000" and insert "$158,000 $158,000"

In line 99969, add $2,488,627 to each fiscal year

In line 99981, delete "$235,744 $235,744" and insert "$284,986 $284,986"

Between lines 99981 and 99982, insert:

"5590 870605 Public Utilities Territorial Administration $4,000 $4,000"

In line 99982, delete "$25,000 $25,000" and insert "$100,000 $100,000"

In line 99983, delete "$500,000 $500,000" and insert "$647,893 $647,893"

In line 99988, add $276,135 to each fiscal year

In line 99989, add $2,764,762 to each fiscal year

Between lines 101329 and 101330, insert:

"**Section 371.70.20.** (A) As used in this section:

(1) "Board of trustees" includes the managing authority of a university branch district.

(2) "State institution of higher education" has the same meaning as in section 3345.011 of the Revised Code.

(B) The board of trustees of any state institution of higher education, notwithstanding any rule of the institution to the contrary, may adopt a policy providing for mandatory furloughs of employees, including faculty, to achieve spending reductions necessitated by institutional budget deficits."

In line 6374, after the period insert " The governor shall be informed of the appointment of an executive director before such an appointment is made."

In line 6469, after the stricken colon insert " Before entering into such an agreement, the council shall inform the governor of the terms of the agreement and of the state agency designated to serve as the council's fiscal agent."

In line 12519, delete everything after " (B)"

Delete lines 12520 through 12523

In line 12524, delete " (C)"

In line 12526, delete " (D)" and insert " (C)"

In line 12529, delete " (E)" and insert " (D)"

Delete lines 12531 and 12532, and insert:

" (E) Following restrictions set by the department of administrative services regarding mileage reimbursement pursuant to section 125.832 of the Revised Code."

Delete lines 73729 through 73764 and insert:

"**Sec. 5101.5212.** (A) Under the children's buy-in program and subject to section 5101.5213 of the Revised Code, an individual who does both of the following in accordance with rules adopted under section 5101.5215 of the Revised Code qualifies for medical assistance under the program, unless the director of job and family services has adopted rules under division (B) of section 5101.5215 of the Revised Code to limit the number of individuals who may participate in the program at one time and the program is serving the maximum number of individuals specified in the rules:

~~(A)~~ (1) Applies for the children's buy-in program;

~~(B)~~ (2) Provides satisfactory evidence of all of the following:

~~(1)~~ (a) That the individual is under nineteen years of age;

~~(2)~~ (b) That the individual's countable family income exceeds ~~two~~ three hundred ~~fifty~~ per cent of the federal poverty guidelines;

~~(3) That~~ (c) Except as provided in division (B) of this section, that the individual has not had creditable coverage for at least ~~six~~ three months before enrolling in the children's buy-in program ~~, unless the individual lost the only creditable coverage available to the individual because the individual exhausted a lifetime benefit limitation;~~

~~(4) That one or more of the following apply to the individual:~~

~~(a) The individual is unable to obtain creditable coverage due to a pre-existing condition of the individual;~~

~~(b) The individual lost the only creditable coverage available to the individual because the individual has exhausted a lifetime benefit limitation;~~

~~(c) The premium for the only creditable coverage available to the individual is greater than two hundred per cent of the premium applicable to the individual under the children's buy-in program;~~

~~(d) The individual participates in the program for medically handicapped children~~.

~~(5)~~ (d) That the individual meets the additional eligibility requirements for the children's buy-in program established in rules adopted under section 5101.5215 of the Revised Code.

(B) Division (A)(2)(c) of this section does not apply to an individual who meets both of the following requirements:

(1) At least one of the following applies to the individual:

(a) The individual's parents are involuntarily unemployed.

(b) At least one of the individual's parents is unable to find work due to a disabling condition.

(c) At least one of the individual's parents involuntarily lost creditable coverage for the individual.

(d) The individual has creditable coverage under COBRA continuation coverage as defined in 42 U.S.C. 1396a(u)(3).

(2) At least one of the following applies to the individual:

(a) The cost of the least expensive creditable coverage available to the individual is greater than ten per cent of the individual's countable family income.

(b) The premium for the creditable coverage with the lowest premium available to the individual is greater than one hundred fifty per cent of the premium applicable to the individual under the children's buy-in program.

(c) The individual is unable to obtain creditable coverage due to a pre-existing condition of the individual.

(d) The individual lost the only creditable coverage available to the individual because the individual has exhausted a lifetime benefit limitation.

(e) The individual participates in the program for medically handicapped children."

In line 400, delete "5111.071,"

In line 450, delete "5111.085,"

Delete lines 75499 through 75533

Delete lines 75660 through 75685

In line 90903, delete "5111.071,"

In line 148 of the title, delete "5111.071,"

In line 212 of the title, delete "5111.085,"

In line 450, delete "5111.093,"

Delete lines 75712 through 75739

In line 212 of the title, delete "5111.093,"

In line 399, after "5104.041," insert "5104.30, 5104.32, 5104.341, 5104.35, 5104.39, 5104.42,"

Between lines 74347 and 74348, insert:

"**Sec. 5104.30.** (A) The department of job and family services is hereby designated as the state agency responsible for administration and coordination of federal and state funding for publicly funded child care in this state. Publicly funded child care shall be provided to the following:

(1) Recipients of transitional child care as provided under section 5104.34 of the Revised Code;

(2) Participants in the Ohio works first program established under Chapter 5107. of the Revised Code;

(3) Individuals who would be participating in the Ohio works first program if not for a sanction under section 5107.16 of the Revised Code and who continue to participate in a work activity, developmental activity, or alternative work activity pursuant to an assignment under section 5107.42 of the Revised Code;

(4) A family receiving publicly funded child care on October 1, 1997, until the family's income reaches one hundred fifty per cent of the federal poverty line;

(5) Subject to available funds, other individuals determined eligible in accordance with rules adopted under section 5104.38 of the Revised Code.

The department shall apply to the United States department of health and human services for authority to operate a coordinated program for publicly funded child care, if the director of job and family services determines that the application is necessary. For purposes of this section, the department of job and family services may enter into agreements with other state agencies that are involved in regulation or funding of child care. The department shall consider the special needs of migrant workers when it administers and coordinates publicly funded child care and shall develop appropriate procedures for accommodating the needs of migrant workers for publicly funded child care.

(B) The department of job and family services shall distribute state and federal funds for publicly funded child care, including appropriations of state funds for publicly funded child care and appropriations of federal funds available under the child care block grant act, Title IV-A, and Title XX. The department may use any state funds appropriated for publicly funded child care as the state share required to match any federal funds appropriated for publicly funded child care.

(C) In the use of federal funds available under the child care block grant act, all of the following apply:

(1) The department may use the federal funds to hire staff to prepare any rules required under this chapter and to administer and coordinate federal and state funding for publicly funded child care.

(2) Not more than five per cent of the aggregate amount of the federal

funds received for a fiscal year may be expended for administrative costs.

(3) The department shall allocate and use at least four per cent of the federal funds for the following:

(a) Activities designed to provide comprehensive consumer education to parents and the public;

(b) Activities that increase parental choice;

(c) Activities, including child care resource and referral services, designed to improve the quality, and increase the supply, of child care;

(d) Establishing a voluntary child day-care center quality-rating program in which participation in the program may allow a child day-care center to be eligible for grants, technical assistance, training, or other assistance and become eligible for unrestricted monetary awards for maintaining a quality rating.

(4) The department shall ensure that the federal funds will be used only to supplement, and will not be used to supplant, federal, state, and local funds available on the effective date of the child care block grant act for publicly funded child care and related programs. ~~A~~ If authorized by rules adopted by the department pursuant to section 5104.42 of the Revised Code, county ~~department~~ departments of job and family services may purchase child care from funds obtained through any other means.

(D) The department shall encourage the development of suitable child care throughout the state, especially in areas with high concentrations of recipients of public assistance and families with low incomes. The department shall encourage the development of suitable child care designed to accommodate the special needs of migrant workers. On request, the department, through its employees or contracts with state or community child care resource and referral service organizations, shall provide consultation to groups and individuals interested in developing child care. The department of job and family services may enter into interagency agreements with the department of education, the board of regents, the department of development, and other state agencies and entities whenever the cooperative efforts of the other state agencies and entities are necessary for the department of job and family services to fulfill its duties and responsibilities under this chapter.

The department shall develop and maintain a registry of persons providing child care. The director shall adopt rules pursuant to Chapter 119. of the Revised Code establishing procedures and requirements for the registry's administration.

(E)(1) The director shall adopt rules in accordance with Chapter 119. of the Revised Code establishing both of the following:

(a) Reimbursement ceilings for providers of publicly funded child care not later than the first day of July in each odd-numbered year;

(b) A procedure for reimbursing and paying providers of publicly funded

child care.

(2) In establishing reimbursement ceilings under division (E)(1)(a) of this section, the director shall do all of the following:

(a) Use the information obtained under division (B)(3) of section 5104.04 of the Revised Code;

(b) Establish an enhanced reimbursement ceiling for providers who provide child care for caretaker parents who work nontraditional hours;

(c) For a type B family day-care home provider that has received limited certification pursuant to rules adopted under division (G)(1) of section 5104.011 of the Revised Code, establish a reimbursement ceiling that is the following:

(i) If the provider is a person described in division (G)(1)(a)(i) of section 5104.011 of the Revised Code, seventy-five per cent of the reimbursement ceiling that applies to a type B family day-care home certified by the same county department of job and family services pursuant to section 5104.11 of the Revised Code;

(ii) If the provider is a person described in division (G)(1)(a)(ii) of section 5104.011 of the Revised Code, sixty per cent of the reimbursement ceiling that applies to a type B family day-care home certified by the same county department pursuant to section 5104.11 of the Revised Code.

(3) In establishing reimbursement ceilings under division (E)(1)(a) of this section, the director may establish different reimbursement ceilings based on any of the following:

(a) Geographic location of the provider;

(b) Type of care provided;

(c) Age of the child served;

(d) Special needs of the child served;

(e) Whether the expanded hours of service are provided;

(f) Whether weekend service is provided;

(g) Whether the provider has exceeded the minimum requirements of state statutes and rules governing child care;

(h) Any other factors the director considers appropriate.

(F) The director shall adopt rules in accordance with Chapter 119. of the Revised Code to implement the voluntary child day-care center quality-rating program described in division (C)(3)(d) of this section.

Sec. 5104.32. (A) Except as provided in division (C) of this section, all purchases of publicly funded child care shall be made under a contract entered into by a licensed child day-care center, licensed type A family day-care home, certified type B family day-care home, certified in-home aide, approved child

day camp, licensed preschool program, licensed school child program, or border state child care provider and the county department of job and family services. A county department of job and family services may enter into a contract with a provider for publicly funded child care for a specified period of time or upon a continuous basis for an unspecified period of time. All contracts for publicly funded child care shall be contingent upon the availability of state and federal funds. The department of job and family services shall prescribe a standard form to be used for all contracts for the purchase of publicly funded child care, regardless of the source of public funds used to purchase the child care. To the extent permitted by federal law and notwithstanding any other provision of the Revised Code that regulates state or county contracts or contracts involving the expenditure of state, county, or federal funds, all contracts for publicly funded child care shall be entered into in accordance with the provisions of this chapter and are exempt from any other provision of the Revised Code that regulates state or county contracts or contracts involving the expenditure of state, county, or federal funds.

(B) Each contract for publicly funded child care shall specify at least the following:

(1) That the provider of publicly funded child care agrees to be paid for rendering services at the lowest of the rate customarily charged by the provider for children enrolled for child care, the reimbursement ceiling or rate of payment established pursuant to section 5104.30 of the Revised Code, or a rate the county department negotiates with the provider;

(2) That, if a provider provides child care to an individual potentially eligible for publicly funded child care who is subsequently determined to be eligible, the county department agrees to pay for all child care provided between the date the county department receives the individual's completed application and the date the individual's eligibility is determined;

(3) Whether the county department of job and family services, the provider, or a child care resource and referral service organization will make eligibility determinations, whether the provider or a child care resource and referral service organization will be required to collect information to be used by the county department to make eligibility determinations, and the time period within which the provider or child care resource and referral service organization is required to complete required eligibility determinations or to transmit to the county department any information collected for the purpose of making eligibility determinations;

(4) That the provider, other than a border state child care provider, shall continue to be licensed, approved, or certified pursuant to this chapter and shall comply with all standards and other requirements in this chapter and in rules adopted pursuant to this chapter for maintaining the provider's license, approval, or certification;

(5) That, in the case of a border state child care provider, the provider shall continue to be licensed, certified, or otherwise approved by the state in

which the provider is located and shall comply with all standards and other requirements established by that state for maintaining the provider's license, certificate, or other approval;

(6) Whether the provider will be paid by the county department of job and family services ~~or~~ , the state department of job and family services , or in some other manner as prescribed by rules adopted under section 5104.42 of the Revised Code;

(7) That the contract is subject to the availability of state and federal funds.

(C) Unless specifically prohibited by federal law or by rules adopted under section 5104.42 of the Revised Code, the county department of job and family services shall give individuals eligible for publicly funded child care the option of obtaining certificates for payment that the individual may use to purchase services from any provider qualified to provide publicly funded child care under section 5104.31 of the Revised Code. Providers of publicly funded child care may present these certificates for payment for reimbursement in accordance with rules that the director of job and family services shall adopt. Only providers may receive reimbursement for certificates for payment. The value of the certificate for payment shall be based on the lowest of the rate customarily charged by the provider, the reimbursement ceiling or rate of payment established pursuant to section 5104.30 of the Revised Code, or a rate the county department negotiates with the provider. The county department may provide the certificates for payment to the individuals or may contract with child care providers or child care resource and referral service organizations that make determinations of eligibility for publicly funded child care pursuant to contracts entered into under section 5104.34 of the Revised Code for the providers or resource and referral service organizations to provide the certificates for payment to individuals whom they determine are eligible for publicly funded child care.

For each six-month period a provider of publicly funded child care provides publicly funded child day-care to the child of an individual given certificates for payment, the individual shall provide the provider certificates for days the provider would have provided publicly funded child care to the child had the child been present. ~~County departments shall specify the maximum number of days providers will be provided certificates of payment for days the provider would have provided publicly funded child care had the child been present.~~ The maximum number of days providers shall be provided certificates shall not exceed ten days in a six-month period during which publicly funded child care is provided to the child regardless of the number of providers that provide publicly funded child care to the child during that period.

Sec. 5104.341. (A) Except as provided in division (B) of this section, both of the following apply:

(1) An eligibility determination made under section 5104.34 of the

Revised Code for publicly funded child care is valid for one year;

(2) The county department of job and family services shall ~~redetermine~~ adjust the appropriate level of a fee charged under division (B) of section 5104.34 of the Revised Code ~~every six months during the one-year period, unless~~ if a caretaker parent ~~requests that the fee be reduced due to~~ reports changes in income, family size, or both ~~and the county department of job and family services approves the reduction~~.

(B) Division (A) of this section does not apply in either of the following circumstances:

(1) The publicly funded child care is provided under division (B)(4) of section 5104.35 of the Revised Code;

(2) The recipient of the publicly funded child care ceases to be eligible for publicly funded child care.

Sec. 5104.35. (A) The county department of job and family services shall do all of the following:

(1) Accept any gift, grant, or other funds from either public or private sources offered unconditionally or under conditions which are, in the judgment of the department, proper and consistent with this chapter and deposit the funds in the county public assistance fund established by section 5101.161 of the Revised Code;

(2) Recruit individuals and groups interested in certification as in-home aides or in developing and operating suitable licensed child day-care centers, type A family day-care homes, or certified type B family day-care homes, especially in areas with high concentrations of recipients of public assistance, and for that purpose provide consultation to interested individuals and groups on request;

(3) Inform clients of the availability of child care services;

(4) Pay to a child day-care center, type A family day-care home, certified type B family day-care home, in-home aide, approved child day camp, licensed preschool program, licensed school child program, or border state child care provider for child care services, the amount provided for in division (B) of section 5104.32 of the Revised Code. If part of the cost of care of a child is paid by the child's parent or any other person, the amount paid shall be subtracted from the amount the ~~county department pays~~ provider is paid.

(5) In accordance with rules adopted pursuant to section 5104.39 of the Revised Code, provide monthly reports to the director of job and family services and the director of budget and management regarding expenditures for the purchase of publicly funded child care.

(B) The county department of job and family services may do any of the following:

(1) To the extent permitted by federal law, use public child care funds to extend the hours of operation of the county department to accommodate the needs of working caretaker parents and enable those parents to apply for publicly funded child care;

(2) In accordance with rules adopted by the director of job and family services, request a waiver of the reimbursement ceiling established pursuant to section 5104.30 of the Revised Code for the purpose of paying a higher rate for publicly funded child care based upon the special needs of a child;

(3) To the extent permitted by federal law, use state and federal funds to pay deposits and other advance payments that a provider of child care customarily charges all children who receive child care from that provider;

(4) To the extent permitted by federal law, pay for up to thirty days of child care for a child whose caretaker parent is seeking employment, taking part in employment orientation activities, or taking part in activities in anticipation of enrollment or attendance in an education or training program or activity, if the employment or education or training program or activity is expected to begin within the thirty-day period.

Sec. 5104.39. (A) The director of job and family services shall adopt rules in accordance with Chapter 119. of the Revised Code establishing a procedure for monitoring the expenditures of county departments of job and family services to ensure that expenditures do not exceed the available federal and state funds for publicly funded child care. The department, with the assistance of the office of budget and management and the child care advisory council created pursuant to section 5104.08 of the Revised Code, shall monitor the anticipated future expenditures of county departments for publicly funded child care and shall compare those anticipated future expenditures to available federal and state funds for publicly funded child care. Whenever the department determines that the anticipated future expenditures of the county departments will exceed the available federal and state funds for publicly funded child care ~~,~~ ~~it~~ and the department reimburses the county departments in accordance with rules adopted under section 5104.42 of the Revised Code, the department shall promptly ~~shall~~ notify the county departments and, before the available state and federal funds are used, the director shall issue and implement an administrative order that shall specify both of the following:

(1) Priorities for expending the remaining available federal and state funds for publicly funded child care;

(2) Instructions and procedures to be used by the county departments.

(B) The order may do any or all of the following:

(1) Suspend enrollment of all new participants in any program of publicly funded child care;

(2) Limit enrollment of new participants to those with incomes at or below a specified percentage of the federal poverty line;

(3) Disenroll existing participants with income above a specified percentage of the federal poverty line.

(C) Each county department shall comply with the order no later than thirty days after it is issued. If the department fails to notify the county departments and to implement the reallocation priorities specified in the order before the available federal and state funds for publicly funded child care are used, the state department shall provide sufficient funds to the county departments for publicly funded child care to enable each county department to pay for all publicly funded child care that was provided by providers pursuant to contract prior to the date that the county department received notice under this section and the state department implemented in that county the priorities.

(D) If after issuing an order under this section to suspend or limit enrollment of new participants or disenroll existing participants the department determines that available state and federal funds for publicly funded child care exceed the anticipated future expenditures of the county departments, the director may issue and implement another administrative order increasing income eligibility levels to a specified percentage of the federal poverty line. The order shall include instructions and procedures to be used by the county departments. Each county department shall comply with the order not later than thirty days after it is issued.

(E) The department of job and family services shall do all of the following:

(1) Conduct a quarterly evaluation of the program of publicly funded child care that is operated pursuant to sections 5104.30 to 5104.39 of the Revised Code;

(2) Prepare reports based upon the evaluations that specify for each county the number of participants and amount of expenditures;

(3) Provide copies of the reports to both houses of the general assembly and, on request, to interested parties.

Sec. 5104.42. The director of job and family services shall adopt rules pursuant to section 111.15 of the Revised Code establishing a payment procedure for publicly funded child care. The rules may provide that the department of job and family services will ~~either~~ reimburse county departments of job and family services for payments made to providers of publicly funded child care ~~or~~ , make direct payments to providers ~~pursuant to an agreement entered into with a county board of commissioners pursuant to section 5101.21 of the Revised Code~~ , or establish another system for the payment of publicly funded child care.

Alternately, the director, by rule adopted in accordance with section 111.15 of the Revised Code, may establish a methodology for allocating among the county departments the state and federal funds appropriated for all publicly funded child care services. If the department chooses to allocate funds for

publicly funded child care, it may provide the funds to each county department, up to the limit of the county's allocation, by advancing the funds or reimbursing county care expenditures. The rules adopted under this section may prescribe procedures for making the advances or reimbursements. The rules may establish a method under which the department may determine which county expenditures for child care services are allowable for use of and federal funds.

The rules may establish procedures that a county department shall follow when the county department determines that its anticipated future expenditures for publicly funded child care services will exceed the amount of state and federal funds allocated by the state department. The procedures may include suspending or limiting enrollment of new participants."

In line 90901, after "5104.041," insert "5104.30, 5104.32, 5104.341, 5104.35, 5104.39, 5104.42,"

In line 146 of the title, after "5104.041," insert "5104.30, 5104.32, 5104.341, 5104.35, 5104.39, 5104.42,"

Between lines 104589 and 104590, insert:

"**Section ___.** That Section 217.11 of Am. Sub. H.B. 562 of the 127th General Assembly, as amended by Am. Sub. H.B. 2 of the 128th General Assembly, be amended to read as follows:

Sec. 217.11. CLEAN OHIO REVITALIZATION

The Treasurer of State is hereby authorized to issue and sell, in accordance with Section 2o and 2q of Article VIII, Ohio Constitution, and pursuant to sections 151.01 and 151.40 of the Revised Code, original obligations in an aggregate principal amount not to exceed $100,000,000 in addition to the original issuance of obligations heretofore authorized by prior acts of the General Assembly. These authorized obligations shall be issued and sold from time to time, subject to applicable constitutional and statutory limitations, as needed to ensure sufficient moneys to the credit of the Clean Ohio Revitalization Fund (Fund 7003) to pay costs of revitalization projects.

CLEAN OHIO PROJECT SAVINGS REALLOCATION

Notwithstanding division (A) of section 122.658 of the Revised Code, the Director of Development may reallocate moneys for the purposes of section 122.653 or 122.656 of the Revised Code if the Department of Development realizes Clean Ohio Fund project savings attributable to any of the following instances:

(A) The completion of any project for less than the amount of grant funds awarded, subject to the local matching funds participation requirement;

(B) The cancellation of grant awards in which Clean Ohio Fund moneys have been encumbered for a project but not disbursed, including those for which a grantee has decided not to proceed with a project or for which the project term has expired without substantial project progress; or

(C) Any recapture of Clean Ohio Fund moneys due to a grantee's default or failure to perform the conditions of the grant agreement.

Section ___. That existing Section 217.11 of Am. Sub. H.B. 562 of the 127th General Assembly, as amended by Am. Sub. H.B. 2 of the 128th General Assembly, is hereby repealed."

In line 263 of the title, delete "Section" and insert "Sections 217.11 and"

In line 396, after "4781.07," insert "4905.801,"

Between lines 72648 and 72649, insert:

"**Sec. 4905.801.** (A) No person shall transport or cause to be transported any shipment of material that is subject to division (A)(1) of section 4163.07 of the Revised Code within, into, or through this state by rail or motor carrier unless the person, at least four days prior to the date of the shipment, pays to the public utilities commission the following fees for each shipment:

(1) Two thousand five hundred dollars for each shipment by a motor carrier;

(2) Four thousand five hundred dollars for the first cask designated for transport by rail and three thousand dollars for each additional cask designated for transport by rail that is shipped by the same person or entity in the same shipment.

(B)(1) This section does not apply to either of the following:

(a) Any shipment of material that is subject to division (A)(1) of section 4163.07 of the Revised Code by or for the United States government for military or national defense purposes;

(b) Any shipment of material that is subject to division (A)(1) of section 4163.07 of the Revised Code to or from a plant that is owned by the United States department of energy and that is located in this state or to or from entities that operate on land located in this state that is owned or controlled by the United States department of energy or the United States department of defense.

(2) Except as provided in division (B)(1)(a) and (b) of this section, this section applies to all other shipments of any material that is subject to division (A)(1) of section 4163.07 of the Revised Code by or for the United States government to the extent permitted by federal law.

(C) Whoever violates division (A) of this section is liable for a civil penalty in an amount not to exceed ten times the amount of the fee that is due under this section. The attorney general, upon the request of the public utilities commission, shall bring a civil action to collect the penalty. Penalties collected under this section shall be deposited in the state treasury to the credit of the radioactive waste transportation fund created in section 4905.802 of the Revised Code.

(D) If a highway route controlled quantity shipment of a material that is

subject to division (A)(1) of section 4163.07 of the Revised Code has been the subject of a United States department of transportation level VI inspection and has passed the inspection, the shipment shall not otherwise be subject to inspection by state or local officials unless such inspection is determined to be necessary by the state highway patrol. The public utilities commission shall establish procedures for the reduction of the fee established in division (A) of this section for such shipments to incorporate police escort services only. The procedures shall require the payment of the fee only after the police escort has been completed."

In line 90898, after "4781.07," insert "4905.801,"

In line 141 of the title, after "4781.07," insert "4905.801,"

In line 337, after "2923.125," insert "2923.1210,"; after "2923.1213," insert "2923.16,"

In line 2872, strike through "or" and insert " and an application form that is to be used under section 2923.125 of the Revised Code by a person who applies"

In line 2873, strike through "and that conforms" and insert " , both of which shall conform"; strike through "form" and insert " forms"

In line 2932, strike through "commission" and insert " attorney general"; strike through "make copies" and insert " publish"

In line 2933, strike through "of"; strike through "available to any person, public entity, or private"

Strike through lines 2934 through 2940

In line 2941, strike through everything before the period and insert " on the web site of the attorney general and shall provide the address of the web site to any person who requests the pamphlet"

In line 18509, after " under" insert " division (B) of"

In line 18510, delete " and" and insert an underlined comma

In line 18511, after " Code" insert " , and thirty-five dollars of each fee paid under division (F) of section 2923.125 of the Revised Code"

In line 31451, strike through "a copy of" and insert " the web site address at which"

In line 31452, after "Code" insert " may be found"

In line 31475, delete " fifty-five" and insert " sixty-seven"

In line 31477, delete " fifty-five" and insert " sixty-seven"

In line 31804, after the first "fee" insert " in an amount determined pursuant to division (F)(4) of this section"

In line 31809, after "license" insert " , expired license"

Between lines 31848 and 31849, insert:

(3) A renewal application submitted pursuant to division (F) of this section shall only require the licensee to list on the application form information and matters occurring since the date of the licensee's last application for a license pursuant to division (B) or (F) of this section. A sheriff conducting the criminal records check and the incompetency records check described in section 311.41 of the Revised Code shall conduct the check only from the date of the licensee's last application for a license pursuant to division (B) or (F) of this section through the date of the renewal application submitted pursuant to division (F) of this section.

(4) An applicant for a renewal license to carry a concealed handgun shall submit to the sheriff of the county in which the applicant resides or to the sheriff of any county adjacent to the county in which the applicant resides a nonrefundable license fee as described in either of the following:

(a) For an applicant who has been a resident of this state for five or more years, a fee of fifty dollars;

(b) For an applicant who has been a resident of this state for less than five years, a fee of fifty dollars plus the actual cost of having a background check performed by the federal bureau of investigation."

In line 31852, strike through "a copy of" and insert " the web site address at which"

In line 31855, after "matters" insert " may be found"

In line 31925, strike through "and a copy of the pamphlet"

Strike through line 31926

In line 31927, after "week" insert " and shall provide the web site address at which the pamphlet described in division (B) of section 109.731 of the Revised Code may be found at any time, upon request"

Between lines 31930 and 31931, insert:

"**Sec. 2923.1210.** The application for a license to carry a concealed handgun or for the renewal of a license of that nature that is to be used under section 2923.125 of the Revised Code shall conform substantially to the following ~~form~~ forms:

"Ohio Peace Officer Training Commission

APPLICATION FOR A LICENSE TO CARRY A CONCEALED HANDGUN

Please Type or Print in Ink

SECTION I.

This application will not be processed unless all applicable questions have been answered and until all required supporting documents as described in division (B) or (F) of section 2923.125 of the Ohio Revised Code and, unless waived, a cashier's check, certified check, or money order in the amount of

the applicable license fee or license renewal fee have been submitted. FEES ARE NONREFUNDABLE.

SECTION II.

Name:

Last	First	Middle
.....	.....	.....

Social Security Number: .....

Current Residence:

Street	City	State	County	Zip
.....	.....	.....	.....	.....

Mailing Address (If Different From Above):

Street	City	State	Zip
.....	.....	.....	.....

Date of Birth	Place of Birth	Sex	Race	Residence Telephone
...../..../....	.....	....	.....	(...).....

SECTION III. THE FOLLOWING QUESTIONS ARE TO BE ANSWERED YES OR NO

(1)(a) Are you legally living in the United States?	.... YES	.... NO
(b) Have you been a resident of Ohio for at least forty-five days and have you been a resident for thirty days of the county with whose sheriff you are filing this application or of a county adjacent to that county?	.... YES	.... NO
(2) Are you at least twenty-one years of age?	.... YES	.... NO
(3) Are you a fugitive from justice?	.... YES	.... NO
(4) Are you under indictment for a felony, or, except for a conviction or guilty plea the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you ever been convicted of or pleaded guilty to a felony, or, except for a delinquent child adjudication the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you ever been adjudicated a delinquent child for committing an act that would be a felony if committed by an adult?	.... YES	.... NO
(5) Are you under indictment for or otherwise charged with, or, except for a conviction or guilty plea the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you ever been convicted of or pleaded guilty to, an offense under Chapter 2925., 3719., or 4729. of the Ohio Revised Code that involves the illegal possession, use, sale, administration, or distribution of or trafficking in a drug of abuse, or, except for a delinquent child adjudication the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you ever been adjudicated a delinquent child for committing an act that would be an offense of that nature if committed by an adult?	.... YES	.... NO
(6) Are you under indictment for or otherwise charged with, or, except for a conviction or guilty plea the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you been convicted of or pleaded guilty to within three years of the date of this	.... YES	.... NO

application, a misdemeanor that is an offense of violence or the offense of possessing a revoked or suspended concealed handgun license, or, except for a delinquent child adjudication the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you been adjudicated a delinquent child within three years of the date of this application for committing an act that would be a misdemeanor of that nature if committed by an adult?		
(7) Are you under indictment for or otherwise charged with, or, except for a conviction or guilty plea the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you been convicted of or pleaded guilty to within ten years of the date of this application, resisting arrest, or, except for a delinquent child adjudication the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you been adjudicated a delinquent child for committing, within ten years of the date of this application an act that if committed by an adult would be the offense of resisting arrest?	.... YES	.... NO
(8)(a) Are you under indictment for or otherwise charged with assault or negligent assault?	.... YES	.... NO
(b) Have you been convicted of, pleaded guilty to, or adjudicated a delinquent child two or more times for committing assault or negligent assault within five years of the date of this application?	.... YES	.... NO
(c) Except for a conviction, guilty plea, or delinquent child adjudication the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you ever been convicted of, pleaded guilty to, or adjudicated a delinquent child for assaulting a peace officer?	.... YES	.... NO
(9)(a) Have you ever been adjudicated as a mental defective?	.... YES	.... NO
(b) Have you ever been committed to a mental institution?	.... YES	.... NO
(10) Are you currently subject to a civil protection order, a temporary protection order, or a protection order issued by a court of another state?	.... YES	.... NO
(11) Are you currently subject to a suspension imposed under division (A)(2) of section 2923.128 of the Revised Code of a license to carry a concealed handgun, or a temporary emergency license to carry a concealed handgun, that previously was issued to you?	.... YES	.... NO

SECTION IV. YOU MUST COMPLETE THIS SECTION OF THE APPLICATION BY PROVIDING, TO THE BEST OF YOUR KNOWLEDGE, THE ADDRESS OF EACH PLACE OF RESIDENCE AT WHICH YOU RESIDED AT ANY TIME AFTER YOU ATTAINED EIGHTEEN YEARS OF AGE AND UNTIL YOU COMMENCED YOUR RESIDENCE AT THE LOCATION IDENTIFIED IN SECTION II OF THIS FORM, AND THE DATES OF RESIDENCE AT EACH OF THOSE ADDRESSES. IF YOU NEED MORE SPACE, COMPLETE AN ADDITIONAL SHEET WITH THE RELEVANT INFORMATION, ATTACH IT TO THE APPLICATION, AND NOTE THE ATTACHMENT AT THE END OF THIS SECTION.

Residence 1:

Street	City	State	County	Zip
.....	.....	.....	.....	.....

Dates of residence at this address .....

Residence 2:

Street	City	State	County	Zip
.....	.....	.....	.....	.....

Dates of residence at this address .....

Residence 3:

Street	City	State	County	Zip
.....	.....	.....	.....	.....

Dates of residence at this address .....

Residence 4:

Street	City	State	County	Zip
.....	.....	.....	.....	.....

Dates of residence at this address .....

SECTION V.

YOU MUST COMPLETE THIS SECTION OF THE APPLICATION BY ANSWERING THE QUESTION POSED IN PART (1) AND, IF THE ANSWER TO THE QUESTION IS "YES," BY PROVIDING IN PART (2) THE INFORMATION SPECIFIED. IF YOU NEED MORE SPACE, COMPLETE AN ADDITIONAL SHEET WITH THE RELEVANT INFORMATION, ATTACH IT TO THE APPLICATION, AND NOTE THE ATTACHMENT AT THE END OF THIS SECTION.

(1) Have you previously applied in any county in Ohio or in any other state for a license to carry a concealed handgun or a temporary emergency license to carry a concealed handgun? .... YES .... NO

(2) If your answer to the question in part (1) of this section of the application is "yes," you must complete this part by listing each county in Ohio, and each other state, in which you previously applied for either type of license and, to the best of your knowledge, the date on which you made the application.

Previous application made in ..... (insert name of Ohio county or other state) on ..... (insert date of application.)

Previous application made in ..... (insert name of Ohio county or other state) on ..... (insert date of application.)

Previous application made in ..... (insert name of Ohio county or other state) on ..... (insert date of application.)

Previous application made in ..... (insert name of Ohio county or other state) on ..... (insert date of application.)

SECTION VI.

AN APPLICANT WHO KNOWINGLY GIVES A FALSE ANSWER TO ANY QUESTION OR SUBMITS FALSE INFORMATION ON, OR A FALSE DOCUMENT WITH THE APPLICATION MAY BE PROSECUTED FOR FALSIFICATION TO OBTAIN A CONCEALED HANDGUN LICENSE, A FELONY OF THE FOURTH DEGREE, IN VIOLATION OF SECTION 2921.13 OF THE OHIO REVISED CODE.

(1) I have ~~been furnished, and have~~ read ~~,~~ the pamphlet that explains the Ohio firearms laws, that provides instruction in dispute resolution and explains the Ohio laws related to that matter, and that provides information regarding all aspects of the use of deadly force with a firearm, and I am knowledgeable of the provisions of those laws and of the information on those matters.

(2) I desire a legal means to carry a concealed handgun for defense of myself or a member of my family while engaged in lawful activity.

(3) I have never been convicted of or pleaded guilty to a crime of violence in the state of Ohio or elsewhere (if you have been convicted of or pleaded guilty to such a crime, but the records of that conviction or guilty plea have been sealed or expunged by court order or a court has granted relief pursuant to section 2923.14 of the Revised Code from the disability imposed pursuant to section 2923.13 of the Revised Code relative to that conviction or guilty plea, you may treat the conviction or guilty plea for purposes of this paragraph as if it never had occurred). I am of sound mind. I hereby certify that the statements contained herein are true and correct to the best of my knowledge and belief. I understand that if I knowingly make any false statements herein I am subject to penalties prescribed by law. I authorize the sheriff or the sheriff's designee to inspect only those records or documents relevant to information required for this application.

(4) The information contained in this application and all attached documents are true and correct to the best of my knowledge.

.....
Signature of Applicant"

" Ohio Peace Officer Training Commission

APPLICATION TO RENEW A LICENSE TO CARRY A CONCEALED HANDGUN

Please Type or Print in Ink

SECTION I.
This application will not be processed unless all applicable questions have been answered and until all required supporting documents as described in division (B) or (F) of section 2923.125 of the Ohio Revised Code and, unless waived, a cashier's check, certified check, or money order in the amount of the applicable license fee or license renewal fee have been submitted. FEES ARE NONREFUNDABLE.

SECTION II.

Name:

Last	First	Middle
.....	.....	.....

Social Security Number: .....

Current Residence:

Street	City	State	County	Zip
.....	.....	.....	.....	.....

Mailing Address (If Different From Above):

Street	City	State		Zip
.....	.....	.....		.....
Date of Birth	Place of Birth	Sex	Race	Residence Telephone
...../...../....	.....	....	.....	(...).....

SECTION III. THE FOLLOWING QUESTIONS ARE TO BE ANSWERED YES OR NO

(1)(a) Are you legally living in the United States?	.... YES	.... NO
(b) Have you been a resident of Ohio for at least forty-five days and have you been a resident for thirty days of the county with whose sheriff you are filing this application or of a county adjacent to that county?	.... YES	.... NO
(2) Are you at least twenty-one years of age?	.... YES	.... NO
(3) Are you a fugitive from justice?	.... YES	.... NO
(4) Are you under indictment for a felony, or, except for a conviction or guilty plea the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you ever been convicted of or pleaded guilty to a felony, or, except for a delinquent child adjudication the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you ever been adjudicated a delinquent child for committing an act that would be a felony if committed by an adult?	.... YES	.... NO
(5) Are you under indictment for or otherwise charged with, or, except for a conviction or guilty plea the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you ever been convicted of or pleaded guilty to, an offense under Chapter 2925., 3719., or 4729. of the Ohio Revised Code that involves the illegal possession, use, sale, administration, or distribution of or trafficking in a drug of abuse, or, except for a delinquent child adjudication the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you ever been adjudicated a delinquent child for committing an act that would be an offense of that nature if committed by an adult?	.... YES	.... NO
(6) Are you under indictment for or otherwise charged with, or, except for a conviction or guilty plea the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you been convicted of or pleaded guilty to within three years of the date of this application, a misdemeanor that is an offense of violence or the offense of possessing a revoked or suspended concealed handgun license, or, except for a delinquent child adjudication the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you been adjudicated a delinquent child within three years of the date of this application for committing an act that would be a misdemeanor of that nature if committed by an adult?	.... YES	.... NO
(7) Are you under indictment for or otherwise charged with, or, except for a conviction or guilty plea the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you been convicted of or pleaded guilty to within ten years of the date of this application, resisting arrest, or, except for a delinquent child	.... YES	.... NO

adjudication the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you been adjudicated a delinquent child for committing, within ten years of the date of this application an act that if committed by an adult would be the offense of resisting arrest?		
(8)(a) Are you under indictment for or otherwise charged with assault or negligent assault?	.... YES	.... NO
(b) Have you been convicted of, pleaded guilty to, or adjudicated a delinquent child two or more times for committing assault or negligent assault within five years of the date of this application?	.... YES	.... NO
(c) Except for a conviction, guilty plea, or delinquent child adjudication the records of which a court has ordered sealed or expunged or relative to which a court has granted relief from disability pursuant to section 2923.14 of the Revised Code, have you ever been convicted of, pleaded guilty to, or adjudicated a delinquent child for assaulting a peace officer?	.... YES	.... NO
(9)(a) Have you ever been adjudicated as a mental defective?	.... YES	.... NO
(b) Have you ever been committed to a mental institution?	.... YES	.... NO
(10) Are you currently subject to a civil protection order, a temporary protection order, or a protection order issued by a court of another state?	.... YES	.... NO
(11) Are you currently subject to a suspension imposed under division (A)(2) of section 2923.128 of the Revised Code of a license to carry a concealed handgun, or a temporary emergency license to carry a concealed handgun, that previously was issued to you?	.... YES	.... NO

SECTION IV. YOU MUST COMPLETE THIS SECTION OF THE APPLICATION BY PROVIDING, TO THE BEST OF YOUR KNOWLEDGE, THE ADDRESS OF EACH PLACE OF RESIDENCE AT WHICH YOU RESIDED AT ANY TIME AFTER YOU LAST APPLIED FOR AN OHIO CONCEALED HANDGUN LICENSE THROUGH THE TIME YOU COMMENCED YOUR RESIDENCE AT THE LOCATION IDENTIFIED IN SECTION II OF THIS FORM, AND THE DATES OF RESIDENCE AT EACH OF THOSE ADDRESSES. IF YOU NEED MORE SPACE, COMPLETE AN ADDITIONAL SHEET WITH THE RELEVANT INFORMATION, ATTACH IT TO THE APPLICATION, AND NOTE THE ATTACHMENT AT THE END OF THIS SECTION.

Residence 1:

Street	City	State	County	Zip
.....	.....	.....	.....	.....

Dates of residence at this address .....

Residence 2:

Street	City	State	County	Zip
.....	.....	.....	.....	.....

Dates of residence at this address .....

Residence 3:

Street	City	State	County	Zip
.....	.....	.....	.....	.....

Dates of residence at this address .....

Residence 4:

Street	City	State	County	Zip
.....	.....	.....	.....	.....

Dates of residence at this address .....

SECTION V.

YOU MUST COMPLETE THIS SECTION OF THE APPLICATION BY ANSWERING THE QUESTION POSED IN PART (1) AND, IF THE ANSWER TO THE QUESTION IS "YES," BY PROVIDING IN PART (2) THE INFORMATION SPECIFIED. IF YOU NEED MORE SPACE, COMPLETE AN ADDITIONAL SHEET WITH THE RELEVANT INFORMATION, ATTACH IT TO THE APPLICATION, AND NOTE THE ATTACHMENT AT THE END OF THIS SECTION.

(1) Have you previously applied in any county in Ohio or in any other state for a license to carry a concealed handgun or a temporary emergency license to carry a concealed handgun? .... YES .... NO

(2) If your answer to the question in part (1) of this section of the application is "yes," you must complete this part by listing each county in Ohio, and each other state, in which you previously applied for either type of license and, to the best of your knowledge, the date on which you made the application.

Previous application made in ..... (insert name of Ohio county or other state) on ..... (insert date of application.)

Previous application made in ..... (insert name of Ohio county or other state) on ..... (insert date of application.)

Previous application made in ..... (insert name of Ohio county or other state) on ..... (insert date of application.)

Previous application made in ..... (insert name of Ohio county or other state) on ..... (insert date of application.)

SECTION VI.

AN APPLICANT WHO KNOWINGLY GIVES A FALSE ANSWER TO ANY QUESTION OR SUBMITS FALSE INFORMATION ON, OR A FALSE DOCUMENT WITH THE APPLICATION MAY BE PROSECUTED FOR FALSIFICATION TO OBTAIN A CONCEALED HANDGUN LICENSE, A FELONY OF THE FOURTH DEGREE, IN VIOLATION OF SECTION 2921.13 OF THE OHIO REVISED CODE.

(1) I have read the pamphlet that explains the Ohio firearms laws, that provides instruction in dispute resolution and explains the Ohio laws related to that matter, and that provides information regarding all aspects of the use of deadly force with a firearm, and I am knowledgeable of the provisions of those laws and of the information on those matters.

(2) I desire a legal means to carry a concealed handgun for defense of myself or a member of my family while engaged in lawful activity.

(3) I have never been convicted of or pleaded guilty to a crime of violence in the state of Ohio or elsewhere (if you have been convicted of or pleaded guilty to such a crime, but the records of that conviction or guilty plea have been sealed or expunged by court order or a court has granted relief

pursuant to section 2923.14 of the Revised Code from the disability imposed pursuant to section 2923.13 of the Revised Code relative to that conviction or guilty plea, you may treat the conviction or guilty plea for purposes of this paragraph as if it never had occurred). I am of sound mind. I hereby certify that the statements contained herein are true and correct to the best of my knowledge and belief. I understand that if I knowingly make any false statements herein I am subject to penalties prescribed by law. I authorize the sheriff or the sheriff's designee to inspect only those records or documents relevant to information required for this application.

(4) The information contained in this application and all attached documents are true and correct to the best of my knowledge.

.....
Signature of Applicant""

Between lines 32162 and 32163, insert:

"**Sec. 2923.16.** (A) No person shall knowingly discharge a firearm while in or on a motor vehicle.

(B) No person shall knowingly transport or have a loaded firearm in a motor vehicle in such a manner that the firearm is accessible to the operator or any passenger without leaving the vehicle.

(C) No person shall knowingly transport or have a firearm in a motor vehicle, unless the person may lawfully possess that firearm under applicable law of this state or the United States, the firearm is unloaded, and the firearm is carried in one of the following ways:

(1) In a closed package, box, or case;

(2) In a compartment that can be reached only by leaving the vehicle;

(3) In plain sight and secured in a rack or holder made for the purpose;

(4) If the firearm is at least twenty-four inches in overall length as measured from the muzzle to the part of the stock furthest from the muzzle and if the barrel is at least eighteen inches in length, either in plain sight with the action open or the weapon stripped, or, if the firearm is of a type on which the action will not stay open or which cannot easily be stripped, in plain sight.

(D) No person shall knowingly transport or have a loaded handgun in a motor vehicle if, at the time of that transportation or possession, any of the following applies:

(1) The person is under the influence of alcohol, a drug of abuse, or a combination of them.

(2) The person's whole blood, blood serum or plasma, breath, or urine contains a concentration of alcohol, a listed controlled substance, or a listed metabolite of a controlled substance prohibited for persons operating a vehicle, as specified in division (A) of section 4511.19 of the Revised Code, regardless of

whether the person at the time of the transportation or possession as described in this division is the operator of or a passenger in the motor vehicle.

(E) No person who has been issued a license or temporary emergency license to carry a concealed handgun under section 2923.125 or 2923.1213 of the Revised Code shall do any of the following:

(1) Knowingly transport or have a loaded handgun in a motor vehicle unless one of the following applies:

(a) The loaded handgun is in a holster on the person's person.

(b) The loaded handgun is in a closed case, bag, box, or other container that is in plain sight and that has a lid, a cover, or a closing mechanism with a zipper, snap, or buckle, which lid, cover, or closing mechanism must be opened for a person to gain access to the handgun.

(c) The loaded handgun is securely encased by being stored in a closed glove compartment or vehicle console or in a case that is locked.

(2) If the person is transporting or has a loaded handgun in a motor vehicle in a manner authorized under division (E)(1) of this section, knowingly remove or attempt to remove the loaded handgun from the holster, case, bag, box, container, or glove compartment, knowingly grasp or hold the loaded handgun, or knowingly have contact with the loaded handgun by touching it with the person's hands or fingers while the motor vehicle is being operated on a street, highway, or public property unless the person removes, attempts to remove, grasps, holds, or has the contact with the loaded handgun pursuant to and in accordance with directions given by a law enforcement officer;

(3) If the person is the driver or an occupant of a motor vehicle that is stopped as a result of a traffic stop or a stop for another law enforcement purpose or is the driver or an occupant of a commercial motor vehicle that is stopped by an employee of the motor carrier enforcement unit for the purposes defined in section 5503.34 of the Revised Code, and if the person is transporting or has a loaded handgun in the motor vehicle or commercial motor vehicle in any manner, fail to do any of the following that is applicable:

(a) If the person is the driver or an occupant of a motor vehicle stopped as a result of a traffic stop or a stop for another law enforcement purpose, fail to promptly inform any law enforcement officer who approaches the vehicle while stopped that the person has been issued a license or temporary emergency license to carry a concealed handgun and that the person then possesses or has a loaded handgun in the motor vehicle;

(b) If the person is the driver or an occupant of a commercial motor vehicle stopped by an employee of the motor carrier enforcement unit for any of the defined purposes, fail to promptly inform the employee of the unit who approaches the vehicle while stopped that the person has been issued a license or temporary emergency license to carry a concealed handgun and that the person then possesses or has a loaded handgun in the commercial motor vehicle.

(4) If the person is the driver or an occupant of a motor vehicle that is stopped as a result of a traffic stop or a stop for another law enforcement purpose and if the person is transporting or has a loaded handgun in the motor vehicle in any manner, knowingly fail to remain in the motor vehicle while stopped or knowingly fail to keep the person's hands in plain sight at any time after any law enforcement officer begins approaching the person while stopped and before the law enforcement officer leaves, unless the failure is pursuant to and in accordance with directions given by a law enforcement officer;

(5) If the person is the driver or an occupant of a motor vehicle that is stopped as a result of a traffic stop or a stop for another law enforcement purpose, if the person is transporting or has a loaded handgun in the motor vehicle in a manner authorized under division (E)(1) of this section, and if the person is approached by any law enforcement officer while stopped, knowingly remove or attempt to remove the loaded handgun from the holster, case, bag, box, container, or glove compartment, knowingly grasp or hold the loaded handgun, or knowingly have contact with the loaded handgun by touching it with the person's hands or fingers in the motor vehicle at any time after the law enforcement officer begins approaching and before the law enforcement officer leaves, unless the person removes, attempts to remove, grasps, holds, or has contact with the loaded handgun pursuant to and in accordance with directions given by the law enforcement officer;

(6) If the person is the driver or an occupant of a motor vehicle that is stopped as a result of a traffic stop or a stop for another law enforcement purpose and if the person is transporting or has a loaded handgun in the motor vehicle in any manner, knowingly disregard or fail to comply with any lawful order of any law enforcement officer given while the motor vehicle is stopped, including, but not limited to, a specific order to the person to keep the person's hands in plain sight.

(F)(1) Divisions (A), (B), (C), and (E) of this section do not apply to any of the following:

(a) An officer, agent, or employee of this or any other state or the United States, or a law enforcement officer, when authorized to carry or have loaded or accessible firearms in motor vehicles and acting within the scope of the officer's, agent's, or employee's duties;

(b) Any person who is employed in this state, who is authorized to carry or have loaded or accessible firearms in motor vehicles, and who is subject to and in compliance with the requirements of section 109.801 of the Revised Code, unless the appointing authority of the person has expressly specified that the exemption provided in division (F)(1)(b) of this section does not apply to the person.

(2) Division (A) of this section does not apply to a person if all of the following circumstances apply:

(a) The person discharges a firearm from a motor vehicle at a coyote or

groundhog, the discharge is not during the deer gun hunting season as set by the chief of the division of wildlife of the department of natural resources, and the discharge at the coyote or groundhog, but for the operation of this section, is lawful.

(b) The motor vehicle from which the person discharges the firearm is on real property that is located in an unincorporated area of a township and that either is zoned for agriculture or is used for agriculture.

(c) The person owns the real property described in division (F)(2)(b) of this section, is the spouse or a child of another person who owns that real property, is a tenant of another person who owns that real property, or is the spouse or a child of a tenant of another person who owns that real property.

(d) The person does not discharge the firearm in any of the following manners:

(i) While under the influence of alcohol, a drug of abuse, or alcohol and a drug of abuse;

(ii) In the direction of a street, highway, or other public or private property used by the public for vehicular traffic or parking;

(iii) At or into an occupied structure that is a permanent or temporary habitation;

(iv) In the commission of any violation of law, including, but not limited to, a felony that includes, as an essential element, purposely or knowingly causing or attempting to cause the death of or physical harm to another and that was committed by discharging a firearm from a motor vehicle.

(3) Division (A) of this section does not apply to a person if all of the following apply:

(a) The person possesses a valid electric-powered all-purpose vehicle permit issued under section 1533.103 of the Revised Code by the chief of the division of wildlife.

(b) The person discharges a firearm at a wild quadruped or game bird as defined in section 1531.01 of the Revised Code during the open hunting season for the applicable wild quadruped or game bird.

(c) The person discharges a firearm from a stationary electric-powered all-purpose vehicle as defined in section 1531.01 of the Revised Code or a motor vehicle that is parked on a road that is owned or administered by the division of wildlife, provided that the road is identified by an electric-powered all-purpose vehicle sign.

(d) The person does not discharge the firearm in any of the following manners:

(i) While under the influence of alcohol, a drug of abuse, or alcohol and a drug of abuse;

(ii) In the direction of a street, a highway, or other public or private property that is used by the public for vehicular traffic or parking;

(iii) At or into an occupied structure that is a permanent or temporary habitation;

(iv) In the commission of any violation of law, including, but not limited to, a felony that includes, as an essential element, purposely or knowingly causing or attempting to cause the death of or physical harm to another and that was committed by discharging a firearm from a motor vehicle.

(4) Divisions (B) and (C) of this section do not apply to a person if all of the following circumstances apply:

(a) At the time of the alleged violation of either of those divisions, the person is the operator of or a passenger in a motor vehicle.

(b) The motor vehicle is on real property that is located in an unincorporated area of a township and that either is zoned for agriculture or is used for agriculture.

(c) The person owns the real property described in division (D)(4)(b) of this section, is the spouse or a child of another person who owns that real property, is a tenant of another person who owns that real property, or is the spouse or a child of a tenant of another person who owns that real property.

(d) The person, prior to arriving at the real property described in division (D)(4)(b) of this section, did not transport or possess a firearm in the motor vehicle in a manner prohibited by division (B) or (C) of this section while the motor vehicle was being operated on a street, highway, or other public or private property used by the public for vehicular traffic or parking.

(5) Divisions (B) and (C) of this section do not apply to a person who transports or possesses a handgun in a motor vehicle if, at the time of that transportation or possession, all of the following apply:

(a) The person transporting or possessing the handgun is carrying a valid license or temporary emergency license to carry a concealed handgun issued to the person under section 2923.125 or 2923.1213 of the Revised Code or a license to carry a concealed handgun that was issued by another state with which the attorney general has entered into a reciprocity agreement under section 109.69 of the Revised Code.

(b) The person transporting or possessing the handgun is not knowingly in a place described in division (B) of section 2923.126 of the Revised Code.

(c) One of the following applies:

(i) The handgun is in a holster on the person's person.

(ii) The handgun is in a closed case, bag, box, or other container that is in plain sight and that has a lid, a cover, or a closing mechanism with a zipper, snap, or buckle, which lid, cover, or closing mechanism must be opened for a

person to gain access to the handgun.

(iii) The handgun is securely encased by being stored in a closed glove compartment or vehicle console or in a case that is locked.

(6) Divisions (B) and (C) of this section do not apply to a person if all of the following apply:

(a) The person possesses a valid electric-powered all-purpose vehicle permit issued under section 1533.103 of the Revised Code by the chief of the division of wildlife.

(b) The person is on or in an electric-powered all-purpose vehicle as defined in section 1531.01 of the Revised Code or a motor vehicle during the open hunting season for a wild quadruped or game bird.

(c) The person is on or in an electric-powered all-purpose vehicle as defined in section 1531.01 of the Revised Code or a motor vehicle that is parked on a road that is owned or administered by the division of wildlife, provided that the road is identified by an electric-powered all-purpose vehicle sign.

(G)(1) The affirmative defenses authorized in divisions (D)(1) and (2) of section 2923.12 of the Revised Code are affirmative defenses to a charge under division (B) or (C) of this section that involves a firearm other than a handgun.

(2) It is an affirmative defense to a charge under division (B) or (C) of this section of improperly handling firearms in a motor vehicle that the actor transported or had the firearm in the motor vehicle for any lawful purpose and while the motor vehicle was on the actor's own property, provided that this affirmative defense is not available unless the person, immediately prior to arriving at the actor's own property, did not transport or possess the firearm in a motor vehicle in a manner prohibited by division (B) or (C) of this section while the motor vehicle was being operated on a street, highway, or other public or private property used by the public for vehicular traffic.

(H) No person who is charged with a violation of division (B), (C), or (D) of this section shall be required to obtain a license or temporary emergency license to carry a concealed handgun under section 2923.125 or 2923.1213 of the Revised Code as a condition for the dismissal of the charge.

(I) Whoever violates this section is guilty of improperly handling firearms in a motor vehicle. Violation of division (A) of this section is a felony of the fourth degree. Violation of division (C) of this section is a misdemeanor of the fourth degree. A violation of division (D) of this section is a felony of the fifth degree or, if the loaded handgun is concealed on the person's person, a felony of the fourth degree. Except as otherwise provided in this division, a violation of division (E)(3) of this section is a misdemeanor of the first degree, and, in addition to any other penalty or sanction imposed for the violation, the offender's license or temporary emergency license to carry a concealed handgun shall be suspended pursuant to division (A)(2) of section 2923.128 of the Revised Code. If at the time of the stop of the offender for a traffic stop, for

another law enforcement purpose, or for a purpose defined in section 5503.34 of the Revised Code that was the basis of the violation any law enforcement officer involved with the stop or the employee of the motor carrier enforcement unit who made the stop had actual knowledge of the offender's status as a licensee, a violation of division (E)(3) of this section is a minor misdemeanor, and the offender's license or temporary emergency license to carry a concealed handgun shall not be suspended pursuant to division (A)(2) of section 2923.128 of the Revised Code. A violation of division (E)(1), (2), or (5) of this section is a felony of the fifth degree. A violation of division (E)(4) or (6) of this section is a misdemeanor of the first degree or, if the offender previously has been convicted of or pleaded guilty to a violation of division (E)(4) or (6) of this section, a felony of the fifth degree. In addition to any other penalty or sanction imposed for a misdemeanor violation of division (E)(4) or (6) of this section, the offender's license or temporary emergency license to carry a concealed handgun shall be suspended pursuant to division (A)(2) of section 2923.128 of the Revised Code. A violation of division (B) of this section is whichever of the following is applicable:

(1) If, at the time of the transportation or possession in violation of division (B) of this section, the offender was carrying a valid license or temporary emergency license to carry a concealed handgun issued to the offender under section 2923.125 or 2923.1213 of the Revised Code or a license to carry a concealed handgun that was issued by another state with which the attorney general has entered into a reciprocity agreement under section 109.69 of the Revised Code and the offender was not knowingly in a place described in division (B) of section 2923.126 of the Revised Code, the violation is a misdemeanor of the first degree or, if the offender previously has been convicted of or pleaded guilty to a violation of division (B) of this section, a felony of the fourth degree.

(2) If division (I)(1) of this section does not apply, a felony of the fourth degree.

(J) If a law enforcement officer stops a motor vehicle for a traffic stop or any other purpose, if any person in the motor vehicle surrenders a firearm to the officer, either voluntarily or pursuant to a request or demand of the officer, and if the officer does not charge the person with a violation of this section or arrest the person for any offense, the person is not otherwise prohibited by law from possessing the firearm, and the firearm is not contraband, the officer shall return the firearm to the person at the termination of the stop. If a court orders a law enforcement officer to return a firearm to a person pursuant to the requirement set forth in this division, division (B) of section 2923.163 of the Revised Code applies.

(K) As used in this section:

(1) "Motor vehicle," "street," and "highway" have the same meanings as in section 4511.01 of the Revised Code.

(2) "Occupied structure" has the same meaning as in section 2909.01 of the Revised Code.

(3) "Agriculture" has the same meaning as in section 519.01 of the Revised Code.

(4) "Tenant" has the same meaning as in section 1531.01 of the Revised Code.

(5) "Unloaded" means any of the following:

(a) No ammunition is in the firearm in question, and no ammunition is loaded into a magazine or speed loader that may be used with the firearm in question and that is located anywhere within the vehicle in question, without regard to where ammunition otherwise is located within the vehicle in question. For the purposes of division (K)(5)(a) of this section, ammunition held in stripper-clips or in en-bloc clips is not considered ammunition that is loaded into a magazine or speed loader.

(b) With respect to a firearm employing a percussion cap, flintlock, or other obsolete ignition system, when the weapon is uncapped or when the priming charge is removed from the pan.

(6) "Commercial motor vehicle" has the same meaning as in division (A) of section 4506.25 of the Revised Code.

(7) "Motor carrier enforcement unit" means the motor carrier enforcement unit in the department of public safety, division of state highway patrol, that is created by section 5503.34 of the Revised Code."

In line 90839, after "2923.125," insert "2923.1210,"; after "2923.1213," insert "2923.16,"

Between lines 106635 and 106636, insert:

"Section 2923.16 of the Revised Code as amended by Sub. S.B. 184 and Sub. S.B. 209, both of the 127th General Assembly."

In line 61 of the title, after "2923.125," insert "2923.1210,"; after "2923.1213," insert "2923.16,"

Between lines 98221 and 98222, insert:

"**Section ___.** MEDICAID NONEMERGENCY MEDICAL TRANSPORTATION MANAGEMENT PILOT PROGRAM

(A) The Department of Job and Family Services shall establish a Medicaid nonemergency medical transportation management pilot program. The pilot program shall be operated for two years.

(B) A county department of job and family services serving a county with a population greater than two hundred thousand persons may participate in the pilot program. A county department participating in the pilot program shall identify which groups of Medicaid recipients residing in the county shall be

required to participate in the pilot program. The county department shall also contract with one or more medical transportation management organizations to have the organizations manage nonemergency medical transportation services provided under the Medicaid program to the groups required to participate in the pilot program. To be eligible to contract with a county department, a medical transportation management organization must have experience in coordinating nonemergency medical transportation services.

(C) A medical transportation management organization that contracts with a county department shall report monthly to the county department. Each report shall contain all of the following information:

(1) A description of the transportation services provided to Medicaid recipients participating in the pilot program, including details on the varying modes of transportation used in providing the services and the frequency at which the services were provided;

(2) The number of times nonemergency medical transportation providers failed to arrive for an appointment to transport a participant in the pilot program;

(3) The number of times nonemergency medical transportation providers were late for an appointment to transport a participant in the pilot program and the lengths of the delays;

(4) The cost of the nonemergency medical transportation services provided to participants in the pilot program;

(5) Other indicators of the quality of nonemergency transportation services provided to participants in the pilot program that the county department requests to be included in the reports.

(D) On conclusion of the pilot program, the Department, with assistance from each county department that participated in the pilot program, shall submit a report regarding the pilot program to the Governor, and in accordance with section 101.68 of the Revised Code, the General Assembly. The report shall specify the amount of savings, if any, the Medicaid program realized as a result of the pilot program."

Between lines 106234 and 106235, insert:

"**Section 753.___.** The Governor is hereby authorized to execute a deed in the name of the state conveying to the City of Cincinnati ("grantee"), its successors and assigns, all of the state's right, title, and interest in the following described real estate:

Situated in Section 6, Town 3 Fractional Range 2, of the Miami Purchase, Mill Creek Township in the City of Cincinnati, Hamilton County, State of Ohio, being more particularly described as follows:

Commencing in the center of Seymour Avenue at the southeast corner to Lot 1 of the Hannah A. Sandburn's subdivision recorded in Plat Book, Page 263 at the Hamilton County Recorders records in Cincinnati, Ohio:

Thence along centerline of Seymour Avenue 88º41'02" West a distance of 60.00 feet;

Thence along a line parallel to Lot 1 and Lot 2 of Hannah A. Sandburn's Subdivision North 01º06'58" East a distance of 42.01 feet at a set cross-notch in the north right of way line of Seymour Avenue at the common corner to Domicile, Inc. (OR 6940, PG 1715) and being the true POINT OF BEGINNING to this description;

Thence along the right of way line of Seymour Avenue the following three (3) courses:

North .86º49'13" West a distance of 151.95 feet to a point;

North 88º57'41" West a distance of 197.14 feet to a point;

Along a curve to the right having a radius of 1633 20 feet, an arc distance of 254.86 feet and whose chord bears North 84º29'29' West a distance of 254.60 feet to a set cross-notch, common corner to the Ohio Department of Transportation;

Thence leaving said right of way and along the line of the Ohio Department of Transportation the following three (3) courses:

North 03º21'39' West a distance of 468 28 feet to a set 5/8" steel rebar with plastic cap stamped "J.G.K. S-8227";

North 03º47'08" East a distance of 313.70 feet to a set 5/8" steel rebar with plastic cap stamped "J.G.K. S-8227";

North 04º59'33" East a distance. of 153.84 feet to a set 5/8" steel rebar with plastic cap stamped "J.G.K. S-8227";

Thence leaving said common line and with a new division line through the lands of State of Ohio and along a curve to the left having a radius of 598.66 feet, an arc distance of 798.59 feet and whose chord bears South 72º43'03" East a distance of 740.68 feet to a set 5/8" steel rebar with plastic cap stamped "J.G.K. S-8227";

Thence South 03º00'59" West, passing a recovered 5/8" steel rebar (PLS #6670) at 10.3 feet, corner to the United States of America (OR 6308, PG 3023), a total distance of 637.68 feet to a set 5/8" steel rebar with plastic cap stamped "J.G.K. S-8227" corner to the same;

Thence along the line of the United States of America the following two (2) calls

North 87º35'48" West a distance of 33.54 feet to a set 5/8" steel rebar with plastic cap stamped "J.G.K. S-8227";

South 01º06'58" West a distance of 33.30 feet to a set 5/8" steel rebar with plastic cap stamped "J.G.K. S-8227" at a corner to Domicile, Inc.;

Thence with the line of Domicile, Inc. the following two (2) calls;

North 88º53'02" West a distance of 60.00 feet to a set 5/8" steel rebar with plastic cap stamped "J.G.K. S-8227";

South 01º06'58" West a distance of 157.78 feet to the POINT OF BEGINNING.

Containing 12.956 acres and being subject to all easements and restrictions of record.

Being a part of the property conveyed to the State of Ohio in Official Record Book 2279, Page 583 of the Hamilton County Clerks records in Cincinnati, Ohio.

Said herein description being the result of a survey performed by Cardinal Engineering Corporation in September, 2008 under the direct supervision of Joseph G. Kramer, P.L.S. #S-8227. The bearings of this description are based on a survey performed by the Army Corps of Engineers dated 1957.

Consideration for conveyance of the real estate described in this section is $1,230,000.

The grantee shall not use, develop, or sell the real estate described in this section such that it will interfere with the quiet enjoyment of the adjacent state-owned land.

The real estate described in this section shall be sold as an entire tract and not in parcels.

Upon payment of the purchase price, the Auditor of State, with the assistance of the Attorney General, shall prepare a Governor's Deed to the real estate described in this section. The Governor's Deed shall state the consideration and the condition. The deed shall be executed by the Governor in the name of the State, countersigned by the Secretary of State, sealed with the Great Seal of the State, presented in the Office of the Auditor of State for recording, and delivered to the grantee. The grantee shall present the deed for recording in the Office of the Hamilton County Recorder.

The grantee shall pay all costs associated with the purchase and conveyance of the real estate described in this section, including deed recordation costs.

The net proceeds of the sale of the real estate described in this section shall be deposited in the State Treasury to the credit of the Department of Mental Health Trust Fund under section 5119.18 of the Revised Code.

This section expires two years after its effective date."

In line 416, after "5751.013," insert "5751.02,"

Between lines 88247 and 88248, insert:

"**Sec. 5751.02.** (A) For the purpose of funding the needs of this state and

its local governments beginning with the tax period that commences July 1, 2005, and continuing for every tax period thereafter, there is hereby levied a commercial activity tax on each person with taxable gross receipts for the privilege of doing business in this state. For the purposes of this chapter, "doing business" means engaging in any activity, whether legal or illegal, that is conducted for, or results in, gain, profit, or income, at any time during the calendar year. Persons on which the commercial activity tax is levied include, but are not limited to, persons with substantial nexus with this state. The tax imposed under this section is not a transactional tax and is not subject to Public Law No. 86-272, 73 Stat. 555. The tax imposed under this section is in addition to any other taxes or fees imposed under the Revised Code. The tax levied under this section is imposed on the person receiving the gross receipts and is not a tax imposed directly on a purchaser. The tax imposed by this section is an annual privilege tax for the calendar year that, in the case of calendar year taxpayers, is the annual tax period and, in the case of calendar quarter taxpayers, contains all quarterly tax periods in the calendar year. A taxpayer is subject to the annual privilege tax for doing business during any portion of such calendar year.

(B) The tax imposed by this section is a tax on the taxpayer and ~~,~~ shall not be billed or invoiced to another person. Even if the tax or any portion thereof is billed or invoiced and separately stated, such amounts remain part of the price for purposes of the sales and use taxes levied under Chapters 5739. and 5741. of the Revised Code. Nothing in division (B) of this section prohibits ~~a~~ :

(1) A person from including in the price charged for a good or service an amount sufficient to recover the tax imposed by this section ; or

(2) A lessor from including an amount sufficient to recover the tax imposed by this section in a lease payment charged, or from including such an amount on a billing or invoice pursuant to the terms of a written lease agreement providing for the recovery of the lessor's tax costs. The recovery of such costs shall be based on an estimate of the total tax cost of the lessor during the tax period, as the tax liability of the lessor cannot be calculated until the end of that period."

In line 90919, after "5751.013," insert "5751.02,"

Between lines 106460 and 106461, insert:

"**Section 803.___.** The amendment by this act of division (B) of section 5751.02 of the Revised Code is to clarify the General Assembly's intent of that section when it was enacted by Am. Sub. H.B. 66 of the 126th General Assembly."

In line 169 of the title, after "5751.013," insert "5751.02,"

In line 104239, delete "and"; after "235.10" insert ", and 701.20"

Between lines 104409 and 104410, insert:

"**Sec. 701.20.** (A) The Ohio Commission on Local Government Reform and Collaboration shall develop recommendations on ways to increase the

efficiency and effectiveness of local government operations, to achieve cost savings for taxpayers, and to facilitate economic development in this state. In developing the recommendations, the commission shall consider, but is not limited to, the following:

(1) Restructuring and streamlining local government offices to achieve efficiencies and cost savings for taxpayers and to facilitate local economic development;

(2) Restructuring and streamlining special taxing districts and local government authorities authorized by the constitution or the laws of this state to levy a tax of any kind or to have a tax of any kind levied on its behalf, and of local government units, including schools and libraries, to reduce overhead and administrative expenses;

(3) Restructuring, streamlining, and finding ways to collaborate on the delivery of services, functions, or authorities of local government to achieve cost savings for taxpayers;

(4) Examining the relationship of services provided by the state to services provided by local government and the possible realignment of state and local services to increase efficiency and improve accountability; ~~and~~

(5) Ways of reforming or restructuring constitutional, statutory, and administrative laws to facilitate collaboration for local economic development, to increase the efficiency and effectiveness of local government operations, to identify duplication of services, and to achieve costs savings for taxpayers ;

(6) Making annual financial reporting across local governments consistent for ease of comparison; and

(7) Aligning regional planning units across state agencies.

(B)(1) There is hereby created the Ohio Commission on Local Government Reform and Collaboration, consisting of fifteen voting members. The President of the Senate shall appoint three members, one of whom may be a person who is recommended by the Minority Leader of the Senate. The Speaker of the House of Representatives shall appoint three members, one of whom may be a person who is recommended by the Minority Leader of the House of Representatives. The Governor shall appoint three members. One member shall be appointed by, and shall represent, each of the following organizations: the Ohio Municipal League, the Ohio Township Association, the Ohio School Boards Association, the County Commissioners' Association of Ohio, the Ohio Library Council, and the Ohio Association of Regional Councils. The initial appointments shall be made not later than ninety days after the effective date of this section. Vacancies shall be filled in the manner provided for original appointments. Members are not entitled to compensation for their services.

(2) The initial meeting of the commission shall be called by the Governor within forty-five days after the initial appointments to the commission are complete. The commission shall elect two of its members to serve as

co-chairpersons of the commission.

(C) The commission may create an advisory council consisting of interested parties representing taxing authorities and political subdivisions that are not taxing authorities. The appointment of members to the advisory council is a matter of the commission's discretion. The commission may direct the advisory council to provide relevant information to the commission. Advisory council members are not members of the commission, and may not vote on commission business.

(D) The commission may consult with and obtain assistance from state institutions of higher education (as defined in section 3345.011 of the Revised Code) and from business organizations for research and data gathering related to its mission. State institutions of higher education and business organizations shall cooperate with the commission.

(E) The commission shall issue a report of its findings and recommendations to the President of the Senate, the Speaker of the House of Representatives, and the Governor not later than July 1, 2010. The commission ceases to exist upon submitting its report."

In line 104411, delete "and"; after "235.10" insert ", and 701.20"

In line 259 of the title, delete "and"; after "235.10" insert ", and 701.20"

In line 435, delete "1545.073,"

Delete lines 26766 through 26787

In line 194 of the title, delete "1545.073,"

Between lines 105801 and 105802, insert:

"**Section 751.___.** PROMPT PAYMENT POLICY WORKGROUP

(A) There is hereby created the Prompt Payment Policy Workgroup. The Workgroup shall consist of the following members:

(1) One representative of the Office of Budget and Management, appointed by the Director of Budget and Management;

(2) Three representatives of the Department of Insurance, appointed by the Superintendent of Insurance;

(3) Four representatives of the Office of Ohio Health Plans in the Department of Job and Family Services, appointed by the Director of Job and Family Services;

(4) Two representatives of Ohio's Medicaid managed care plans, appointed by the Executive Director of Ohio's Care Coordination Plans;

(5) Two representatives from the community of provider associations, one appointed by the Speaker of the House of Representatives and one appointed by the President of the Senate;

(6) Two members of the Ohio House of Representatives, one appointed by the Speaker of the House of Representatives and one appointed by the Minority Leader;

(7) Two members of the Ohio Senate, one appointed by the President of the Senate and one appointed by the Minority Leader.

(B) The Director of the Department of Job and Family Services, or the Director's designee, shall serve as chairperson of the Workgroup.

(C) Members of the Workgroup shall serve without compensation, except to the extent that serving on the Workgroup is considered part of the members' regular employment duties.

(D) The Workgroup shall do all of the following:

(1) Recommend one set of regulations to govern prompt payment policies for Medicaid managed care plans;

(2) Research and analyze prompt payment policies related to aged medical claims within the health insurance industry and the Medicaid program;

(3) Review general payment rules, payment policies related to electronic and paper claims, definitions of clean and unclean claims, late payment penalties, auditing requirements, and any other issues related to Medicaid prompt payment policy identified by the Workgroup;

(4) Review statistical data on the compliance rates of current policies.

(E) Not later than February 1, 2010, the Workgroup shall submit a report to the Governor and the majority and minority leadership in both Houses of the Ohio General Assembly. The report shall contain prompt payment policy recommendations for Ohio's Medicaid program.

(F) The Workgroup shall cease to exist February 28, 2010."

In line 443, after "3375.79," insert "3701.0211,"

Between lines 47272 and 47273, insert:

" **Sec. 3701.0211.** (A) There is hereby created the hemophilia advisory council in the department of health. The council shall consist of the following members:

(1) The following nonvoting members:

(a) The director of health or the director's designee;

(b) The superintendent of insurance or the superintendent's designee;

(c) A representative of the department of job and family services.

(2) The following voting members, to be appointed by the governor with the advice and consent of the senate:

(a) Two individuals authorized under Chapter 4731. of the Revised Code

to practice medicine and surgery or osteopathic medicine and surgery who are currently treating patients with hemophilia or related bleeding disorders, one of whom specializes in pediatrics and one of whom specializes in the treatment of adults;

(b) An individual licensed under Chapter 4723. of the Revised Code to practice nursing who is currently treating patients with hemophilia or related bleeding disorders;

(c) An individual licensed under Chapter 4757. of the Revised Code as an independent social worker or social worker who is currently treating patients with hemophilia or related bleeding disorders;

(d) A representative of a federally funded hemophilia treatment center;

(e) A representative of a health insuring corporation that holds a certificate of authority issued under Chapter 1751. of the Revised Code or a company authorized under Chapter 3923. of the Revised Code to do the business of sickness and accident insurance in this state;

(f) A representative of an Ohio chapter of the national hemophilia foundation that serves the community of persons with hemophilia and related bleeding disorders;

(g) An adult with hemophilia or caregiver of an adult with hemophilia;

(h) A caregiver of a minor with hemophilia;

(i) A person with a bleeding disorder other than hemophilia or caregiver of a person with a bleeding disorder other than hemophilia;

(j) A person with hemophilia who is a member of the Amish sect or a health professional currently treating persons with hemophilia who are members of the Amish sect.

(B) Not later than ninety days after the effective date of this section, the governor shall make initial appointments to the council. Of the initial appointments, four shall be for terms ending two years after the effective date of this section, four shall be for terms ending three years after that date, and three shall be for terms ending four years after that date. Thereafter, terms of office shall be two years, with each term ending on the same day of the same month as the term it succeeds. Each member shall hold office from the date of appointment until the end of the term for which the member was appointed. Members may be reappointed.

Vacancies shall be filled in the same manner as original appointments. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall hold office for the remainder of that term. A 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.

(C) The voting members shall elect from among the council's members a chairperson who shall serve a one-year term. The council shall meet at the call of the chairperson, but not less than four times each year. A majority of the members of the council constitutes a quorum.

(D) Members shall serve without compensation, but may be reimbursed for actual and necessary expenses incurred in the performance of their duties.

(E) The council shall advise the director of health on all of the following:

(1) Reviewing the impact of changes to both of the following:

(a) Existing programs for persons with hemophilia and related bleeding disorders;

(b) Existing policies for persons with hemophilia and related bleeding disorders.

(2) Developing standards of care and standards of treatment for persons with hemophilia and related bleeding disorders;

(3) Developing programs of care and programs of treatment for persons with hemophilia and related bleeding disorders, including self-administration of medication, home care, medical and dental procedures, and techniques designed to provide maximum control over bleeding episodes;

(4) Reviewing data and making recommendations regarding the ability of persons with hemophilia and related bleeding disorders to obtain appropriate health insurance coverage and access to appropriate care;

(5) Coordinating with other state agencies and private organizations to develop community-based initiatives to increase awareness of hemophilia and related bleeding disorders.

(F) The council shall annually submit to the governor and general assembly a report with recommendations on increasing access to care and treatment and obtaining appropriate health insurance coverage for persons with hemophilia and related bleeding disorders."

In line 203 of the title, after "3375.79," insert "3701.0211,"

In line 355, delete "3701.021,"

In line 400, delete "5111.081,"

In line 443, delete "3701.0212,"

Delete lines 47215 through 47281

Delete lines 75534 through 75558

In line 90857, delete "3701.021,"

In line 90903, delete "5111.081,"

In line 85 of the title, delete "3701.021,"

In line 148 of the title, delete "5111.081,"

In line 203 of the title, delete "3701.0212,"

In line 443, after "3701.0212," insert "3701.136,"

Between lines 47381 and 47382, insert:

" **Sec. 3701.136.** (A) There is hereby created the sickle cell anemia advisory committee. The committee shall assist the director of health in fulfilling the director's duties under section 3701.131 of the Revised Code.

(B) The director shall appoint five members to the committee who are familiar with sickle cell anemia, including researchers, health care professionals, and persons personally affected by sickle cell anemia.

Not later than ninety days after the effective date of this section, the director shall make initial appointments to the committee. Of the initial appointments, one shall be for a term ending one year after the effective date of this section, two shall be for terms ending two years after that date, and two shall be for terms ending three years after that date. Thereafter, terms of office shall be 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 from the date of appointment until the end of the term for which the member was appointed. Members may be reappointed.

Vacancies shall be filled in the same manner as original appointments. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall hold office for the remainder of that term. A 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.

Members of the committee shall serve without compensation, but may be reimbursed for actual and necessary expenses incurred in the performance of their duties.

(C) The committee shall annually select from among its members a chairperson. The committee shall meet at the call of the chairperson, but not less than twice each year. A majority of the members of the committee constitutes a quorum."

In line 203 of the title, after "3701.0212," insert "3701.136,"

In line 360, after "3707.26," insert "3712.01,"

Between lines 50264 and 50265, insert:

"**Sec. 3712.01.** As used in this chapter:

(A) "Hospice care program" means a coordinated program of home, outpatient, and inpatient care and services that is operated by a person or public agency and that provides the following care and services to hospice patients,

including services as indicated below to hospice patients' families, through a medically directed interdisciplinary team, under interdisciplinary plans of care established pursuant to section 3712.06 of the Revised Code, in order to meet the physical, psychological, social, spiritual, and other special needs that are experienced during the final stages of illness, dying, and bereavement:

(1) Nursing care by or under the supervision of a registered nurse;

(2) Physical, occupational, or speech or language therapy, unless waived by the department of health pursuant to rules adopted under division (A) of section 3712.03 of the Revised Code;

(3) Medical social services by a social worker under the direction of a physician;

(4) Services of a home health aide;

(5) Medical supplies, including drugs and biologicals, and the use of medical appliances;

(6) Physician's services;

(7) Short-term inpatient care, including both palliative and respite care and procedures;

(8) Counseling for hospice patients and hospice patients' families;

(9) Services of volunteers under the direction of the provider of the hospice care program;

(10) Bereavement services for hospice patients' families.

(B) "Hospice patient" means a patient who has been diagnosed as terminally ill, has an anticipated life expectancy of six months or less, and has voluntarily requested and is receiving care from a person or public agency licensed under this chapter to provide a hospice care program.

(C) "Hospice patient's family" means a hospice patient's immediate family members, including a spouse, brother, sister, child, or parent, and any other relative or individual who has significant personal ties to the patient and who is designated as a member of the patient's family by mutual agreement of the patient, the relative or individual, and the patient's interdisciplinary team.

(D) "Interdisciplinary team" means a working unit composed of professional and lay persons that includes at least a physician, a registered nurse, a social worker, a member of the clergy or a counselor, and a volunteer.

(E) "Palliative care" means treatment for a patient with a serious or life-threatening illness directed at controlling pain, relieving other symptoms, and ~~focusing on the special needs~~ enhancing the quality of life of ~~a hospice~~ the patient and the ~~hospice~~ patient's family ~~as they experience the stress of the dying process~~ rather than treatment ~~aimed at investigation and intervention~~ for the purpose of cure ~~or prolongation of life~~. Nothing in this section shall be

interpreted to mean that palliative care can be provided only as a component of a hospice care program.

(F) "Physician" means a person authorized under Chapter 4731. of the Revised Code to practice medicine and surgery or osteopathic medicine and surgery.

(G) "Attending physician" means the physician identified by the hospice patient or the hospice patient's family as having primary responsibility for the hospice patient's medical care.

(H) "Registered nurse" means a person registered under Chapter 4723. of the Revised Code to practice professional nursing.

(I) "Social worker" means a person licensed under Chapter 4757. of the Revised Code to practice as a social worker or independent social worker."

In line 90862, after "3707.26," insert "3712.01,"

In line 92 of the title, after "3707.26," insert "3712.01,"

In line 449, delete "5111.0211,"

In line 74601, reinsert "If sufficient funds are appropriated for the medicaid"

In line 74602, reinsert "program, the"; delete " The"; reinsert "may"; delete " shall not"

In line 74605, delete the underlined comma

Delete lines 74606 through 74610

In line 74611, delete " group"

Delete lines 74813 through 74821

In line 212, delete "5111.0211,"

Delete lines 74647 through 74662 and insert:

" **Sec. 5111.0121.** A parent eligible for the medicaid program pursuant to section 5111.0120 of the Revised Code shall not be required to undergo a redetermination of eligibility for the medicaid program more often than once every twelve months unless there are reasonable grounds to believe that circumstances have changed that may affect the parent's eligibility."

In line 75484, strike through "The" and insert " In the case of a provider described in division (D)(12) of this section, the"

In line 75485, after the period insert " In the case of a provider described in division (D)(13) of this section, the notice shall be sent by certified mail."

Delete lines 92081 through 92100

Delete lines 97540 through 97572

Delete lines 98111 through 98121

Delete lines 92705 through 92712

Between lines 91610 and 91611, insert:

"**Section 207.20.70.** INFORMATION TECHNOLOGY ASSESSMENT

The Director of Administrative Services, with the approval of the Director of Budget and Management, may establish an information technology assessment for the purpose of recovering the cost of selected infrastructure and statewide programs. The information technology assessment shall be charged to all organized bodies, offices, or agencies established by the laws of the state for the exercise of any function of state government except for the General Assembly, any legislative agency, the Supreme Court, the other courts of record in Ohio, or any judicial agency, the Adjutant General, the Bureau of Workers' Compensation, and institutions administered by a board of trustees. Any state-entity exempted by this section may use the infrastructure or statewide program by participating in the information technology assessment. All charges for the information technology assessment shall be deposited to the credit of the IT Governance Fund (Fund 2290)."

Between lines 91419 and 91420, insert:

"2290 100640 Leveraged Enterprise Purchases $10,000,000 $10,000,000"

In line 91430, delete "$203,027,807 $197,881,871" and insert "$213,027,807 $207,881,871"

In line 91431, delete "$373,268,602 $369,081,768" and insert "$383,268,602 $379,081,768"

Between lines 91610 and 91611, insert:

" **Section 207.20.60.** LEVERAGED ENTERPRISE PURCHASE PROGRAM FUNDING

The foregoing appropriation item 100640, Leveraged Enterprise Purchases, may be used by the Director of Administrative Services to operate a Leveraged Enterprise Purchases Program to make enterprise-wide information technology purchases. The Director of Administrative Services may recover the cost of operating such a program from all participating government entities through intrastate transfer voucher billings for each applicable procurement, or the Director may use any pass-through billing method agreed to by the Director of Administrative Services, the Director of Budget and Management, and the participating government entities that will receive the applicable procurement. If the Director of Administrative Services chooses to recover the costs through intrastate transfer voucher billings, the participating government entities shall process the intrastate transfer vouchers to pay for the cost.

Amounts received under this section for the Leveraged Enterprise Purchases Program shall be deposited to the credit of the IT Governance Fund

(Fund 2290)."

In line 90950, delete "and"; after "5123.23" insert ", and 5923.141"

In line 243 of the title, delete "and"

In line 244 of the title, after "5123.23" insert ", and 5923.141"

In line 331, delete "1531.01,"; delete "1533.10,"

Delete lines 25967 through 26260

Delete lines 26390 through 26505

In line 90833, delete "1531.01,"; delete "1533.10,"

In line 52 of the title, delete "1531.01,"; delete "1533.10,"

In line 56039, strike through everything after "Expend"

In line 56040, strike through "during each fiscal year" and insert " amounts determined necessary by the director"

In line 28658, after "(2)" delete the balance of the line

Delete lines 28659 through 28663

In line 28664, delete " (3)"

In line 321, after "1332.25," insert "1347.08,"

In line 366, after "3721.02," insert "3721.23,"

Between lines 22542 and 22543, insert:

"**Sec. 1347.08.** (A) Every state or local agency that maintains a personal information system, upon the request and the proper identification of any person who is the subject of personal information in the system, shall:

(1) Inform the person of the existence of any personal information in the system of which the person is the subject;

(2) Except as provided in divisions (C) and (E)(2) of this section, permit the person, the person's legal guardian, or an attorney who presents a signed written authorization made by the person, to inspect all personal information in the system of which the person is the subject;

(3) Inform the person about the types of uses made of the personal information, including the identity of any users usually granted access to the system.

(B) Any person who wishes to exercise a right provided by this section may be accompanied by another individual of the person's choice.

(C)(1) A state or local agency, upon request, shall disclose medical, psychiatric, or psychological information to a person who is the subject of the information or to the person's legal guardian, unless a physician, psychiatrist, or

psychologist determines for the agency that the disclosure of the information is likely to have an adverse effect on the person, in which case the information shall be released to a physician, psychiatrist, or psychologist who is designated by the person or by the person's legal guardian.

(2) Upon the signed written request of either a licensed attorney at law or a licensed physician designated by the inmate, together with the signed written request of an inmate of a correctional institution under the administration of the department of rehabilitation and correction, the department shall disclose medical information to the designated attorney or physician as provided in division (C) of section 5120.21 of the Revised Code.

(D) If an individual who is authorized to inspect personal information that is maintained in a personal information system requests the state or local agency that maintains the system to provide a copy of any personal information that the individual is authorized to inspect, the agency shall provide a copy of the personal information to the individual. Each state and local agency may establish reasonable fees for the service of copying, upon request, personal information that is maintained by the agency.

(E)(1) This section regulates access to personal information that is maintained in a personal information system by persons who are the subject of the information, but does not limit the authority of any person, including a person who is the subject of personal information maintained in a personal information system, to inspect or have copied, pursuant to section 149.43 of the Revised Code, a public record as defined in that section.

(2) This section does not provide a person who is the subject of personal information maintained in a personal information system, the person's legal guardian, or an attorney authorized by the person, with a right to inspect or have copied, or require an agency that maintains a personal information system to permit the inspection of or to copy, a confidential law enforcement investigatory record or trial preparation record, as defined in divisions (A)(2) and (4) of section 149.43 of the Revised Code.

(F) This section does not apply to any of the following:

(1) The contents of an adoption file maintained by the department of health under section 3705.12 of the Revised Code;

(2) Information contained in the putative father registry established by section 3107.062 of the Revised Code, regardless of whether the information is held by the department of job and family services or, pursuant to section 3111.69 of the Revised Code, the office of child support in the department or a child support enforcement agency;

(3) Papers, records, and books that pertain to an adoption and that are subject to inspection in accordance with section 3107.17 of the Revised Code;

(4) Records listed in division (A) of section 3107.42 of the Revised Code or specified in division (A) of section 3107.52 of the Revised Code;

(5) Records that identify an individual described in division (A)(1) of section 3721.031 of the Revised Code, or that would tend to identify such an individual;

(6) Files and records that have been expunged under division (D)(1) or (2) of section 3721.23 of the Revised Code;

(7) Records that identify an individual described in division (A)(1) of section 3721.25 of the Revised Code, or that would tend to identify such an individual;

(8) Records that identify an individual described in division (A)(1) of section 5111.61 of the Revised Code, or that would tend to identify such an individual;

(9) Test materials, examinations, or evaluation tools used in an examination for licensure as a nursing home administrator that the board of examiners of nursing home administrators administers under section 4751.04 of the Revised Code or contracts under that section with a private or government entity to administer;

(10) Information contained in a database established and maintained pursuant to section 5101.13 of the Revised Code."

Between lines 52726 and 52727, insert:

"**Sec. 3721.23.** (A) The director of health shall receive, review, and investigate allegations of abuse or neglect of a resident or misappropriation of the property of a resident by any individual used by a long-term care facility or residential care facility to provide services to residents.

(B) The director shall make findings regarding alleged abuse, neglect, or misappropriation of property after doing both of the following:

(1) Investigating the allegation and determining that there is a reasonable basis for it;

(2) Giving notice to the individual named in the allegation and affording the individual a reasonable opportunity for a hearing.

Notice to the person named in an allegation shall be given and the hearing shall be conducted pursuant to rules adopted by the director under section 3721.26 of the Revised Code. For purposes of conducting a hearing under this section, the director may issue subpoenas compelling attendance of witnesses or production of documents. The subpoenas shall be served in the same manner as subpoenas and subpoenas duces tecum issued for a trial of a civil action in a court of common pleas. If a person who is served a subpoena fails to attend a hearing or to produce documents, or refuses to be sworn or to answer any questions, the director may apply to the common pleas court of the county in which the person resides, or the county in which the long-term care facility or residential care facility is located, for a contempt order, as in the case of a failure of a person who is served a subpoena issued by the court to attend or

to produce documents or a refusal of such person to testify.

(C)(1) If the director finds that an individual used by a long-term care facility or residential care facility has neglected or abused a resident or misappropriated property of a resident, the director shall notify the individual, the facility using the individual, and the attorney general, county prosecutor, or other appropriate law enforcement official. The director also shall do the following:

(a) If the individual is used by a long-term care facility as a nurse aide, the director shall, in accordance with section 3721.32 of the Revised Code, include in the nurse aide registry established under that section a statement detailing the findings pertaining to the individual.

(b) If the individual is a licensed health professional used by a long-term care facility or residential care facility to provide services to residents, the director shall notify the appropriate professional licensing authority established under Title XLVII of the Revised Code.

(c) If the individual is used by a long-term care facility and is neither a nurse aide nor a licensed health professional, or is used by a residential care facility and is not a licensed health professional, the director shall, in accordance with section 3721.32 of the Revised Code, include in the nurse aide registry a statement detailing the findings pertaining to the individual.

(2) A nurse aide or other individual about whom a statement is required by this division to be included in the nurse aide registry may provide the director with a statement disputing the director's findings and explaining the circumstances of the allegation. The statement shall be included in the nurse aide registry with the director's findings.

(D)(1) If the director finds that alleged neglect or abuse of a resident or misappropriation of property of a resident cannot be substantiated, the director shall notify the individual and expunge all files and records of the investigation and the hearing by doing all of the following:

(a) Removing and destroying the files and records, originals and copies, and deleting all index references;

(b) Reporting to the individual the nature and extent of any information about the individual transmitted to any other person or government entity by the director of health;

(c) Otherwise ensuring that any examination of files and records in question show no record whatever with respect to the individual.

(2) (a) If, in accordance with division (C)(1)(a) or (c) of this section, the director includes in the nurse aide registry a statement of a finding of neglect, the individual found to have neglected a resident may, not earlier than one year after the date of the finding, petition the director to rescind the finding and remove the statement and any accompanying information from the nurse aide registry. The

director shall consider the petition. If, in the judgment of the director, the neglect was a singular occurrence and the employment and personal history of the individual does not evidence abuse or any other incident of neglect of residents, the director shall notify the individual and remove the statement and any accompanying information from the nurse aide registry. The director shall expunge all files and records of the investigation and the hearing, except the petition for rescission of the finding of neglect and the director's notice that the rescission has been approved.

(b) A petition for rescission of a finding of neglect and the director's notice that the rescission has been approved are not public records for the purposes of section 149.43 of the Revised Code.

(3) When files and records have been expunged under division (D)(1) or (2) of this section, all rights and privileges are restored, and the individual, the director, and any other person or government entity may properly reply to an inquiry that no such record exists as to the matter expunged."

In line 90823, after "1332.25," insert "1347.08,"

In line 90868, after "3721.02," insert "3721.23,"

In line 38 of the title, after "1332.25," insert "1347.08,"

In line 100 of the title, after "3721.02," insert "3721.23,"

In line 387, after "4582.33," insert "4713.32,"

Between lines 68654 and 68655, insert:

"**Sec. 4713.32.** When determining the total hours of instruction received by an applicant for a license under section 4713.28, 4713.30, or 4713.31 of the Revised Code, the state board of cosmetology shall not take into account more than ~~eight~~ ten hours of instruction per day. The board shall take into account instruction received more than five years prior to the date of application for the license in accordance with rules adopted under section 4713.08 of the Revised Code."

In line 90889, after "4582.33," insert "4713.32,"

In line 130 of the title, after "4582.33," insert "4713.32,"

In line 386, after "4519.04," insert "4519.44,"

In line 68202, reinsert "an"; delete " a snowmobile, off-highway motorcycle, or"

In line 68203, reinsert "five"

In line 68204, delete " six"

In line 68205, delete " snowmobile,"

In line 68206, delete " off-highway motorcycle, or"

Between lines 68209 and 68210, insert:

"**Sec. 4519.44.** (A) No person who does not hold a valid, current motor vehicle driver's or commercial driver's license, motorcycle operator's endorsement, or probationary license, issued under Chapter 4506. or 4507. of the Revised Code or a valid, current driver's license issued by another jurisdiction, shall operate a snowmobile, off-highway motorcycle, or all-purpose vehicle on any street or highway in this state, on any portion of the right-of-way thereof, or on any public land or waters.

(B) No person who is less than sixteen years of age shall operate a snowmobile, off-highway motorcycle, or all-purpose vehicle on any land or waters other than private property or waters owned by or leased to the person's parent or guardian, unless accompanied by another person who is eighteen years of age, or older, and who holds a license as provided in division (A) of this section, except that the department of natural resources may permit such operation on state controlled land under its jurisdiction when such person is less than sixteen years of age ~~, but is twelve years of age or older~~ and is accompanied by a parent or guardian who is a licensed driver eighteen years of age or older.

(C) Whoever violates this section shall be fined not less than fifty nor more than five hundred dollars, imprisoned not less than three nor more than thirty days, or both."

In line 90888, after "4519.04," insert "4519.44,"

In line 128 of the title, after "4519.04," insert "4519.44,"

In line 378, after "4503.19," insert "4503.191,"

Between lines 63188 and 63189, insert:

"**Sec. 4503.191.** (A)(1) The identification license plate shall be issued for a multi-year period as determined by the director of public safety, and shall be accompanied by a validation sticker, to be attached to the license plate. Except as provided in division (A)(2) of this section, the validation sticker shall indicate the expiration of the registration period to which the motor vehicle for which the license plate is issued is assigned, in accordance with rules adopted by the registrar of motor vehicles. During each succeeding year of the multi-year period following the issuance of the plate and validation sticker, upon the filing of an application for registration and the payment of the tax therefor, a validation sticker alone shall be issued. The validation stickers required under this section shall be of different colors or shades each year, the new colors or shades to be selected by the director.

(2) (a) Not later than October 1, 2009, the director shall develop a universal validation sticker that may be issued to any owner of two hundred fifty or more passenger vehicles, so that a sticker issued to the owner may be placed on any passenger vehicle in that owner's fleet. The director may establish and charge an additional fee of not more than one dollar per registration to compensate for necessary costs of the universal validation sticker program. The additional fee shall be credited to the state bureau of motor vehicles fund created

in section 4501.25 of the Revised Code.

(b) A validation sticker issued for an all-purpose vehicle that is registered under Chapter 4519. of the Revised Code or for a trailer or semitrailer that is registered under division (A)(1)(a)(ii) of section 4503.103 of the Revised Code for a period of not more than five succeeding registration years may indicate the expiration of the registration period by any manner determined by the registrar by rule.

(B) Identification license plates shall be produced by Ohio penal industries. Validation stickers and county identification stickers shall be produced by Ohio penal industries unless the registrar adopts rules that permit the registrar or deputy registrars to print or otherwise produce them in house."

In line 90880, after "4503.19," insert "4503.191,"

In line 117 of the title, after "4503.19," insert "4503.191,"

In line 386, after "4519.02," insert "4519.03,"

Between lines 68152 and 68153, insert:

"**Sec. 4519.03.** (A) The owner of every snowmobile, off-highway motorcycle, and all-purpose vehicle required to be registered under section 4519.02 of the Revised Code shall file an application for registration with the registrar of motor vehicles or a deputy registrar, on blanks furnished by the registrar for that purpose and containing all of the following information:

(1) A brief description of the snowmobile, off-highway motorcycle, or all-purpose vehicle, including the year, make, model, and the vehicle identification number;

(2) The name, residence, and business address of the owner;

(3) A statement that the snowmobile, off-highway motorcycle, or all-purpose vehicle is equipped as required by section 4519.20 of the Revised Code and any rule adopted under that section. The statement shall include a check list of the required equipment items in the form the registrar shall prescribe.

The application shall be signed by the owner of the snowmobile, off-highway motorcycle, or all-purpose vehicle and shall be accompanied by a fee as provided in division (C) of section 4519.04 of the Revised Code.

If the application is not in proper form, or if the vehicle for which registration is sought does not appear to be equipped as required by section 4519.20 of the Revised Code or any rule adopted under that section, the registration shall be refused, and no registration sticker, license plate, or validation sticker shall be issued.

(B) ~~On and after July 1, 1999, no~~ Except as provided in this division, no certificate of registration or renewal of a certificate of registration shall be issued for an off-highway motorcycle or all-purpose vehicle required to be registered

under section 4519.02 of the Revised Code, and no certificate of registration issued under this chapter for an off-highway motorcycle or all-purpose vehicle that is sold or otherwise transferred shall be transferred to the new owner of the off-highway motorcycle or all-purpose vehicle as permitted by division (B) of section 4519.05 of the Revised Code, unless a certificate of title has been issued under this chapter for the motorcycle or vehicle, and the owner or new owner, as the case may be, presents a physical certificate of title or memorandum certificate of title for inspection at the time the owner or new owner first submits a registration application, registration renewal application, or registration transfer application for the motorcycle or vehicle ~~on or after July 1, 1999,~~ if a physical certificate of title or memorandum certificate has been issued by a clerk of a court of common pleas. If, under sections 4519.512 and 4519.58 of the Revised Code, a clerk instead has issued an electronic certificate of title for the applicant's off-highway motorcycle or all-purpose vehicle, that certificate may be presented for inspection at the time of first registration in a manner prescribed by rules adopted by the registrar. In the case of an off-highway motorcycle or all-purpose vehicle that was purchased prior to October 1, 2005, and for which a certificate of title has not been issued, the owner shall not be required to present a physical certificate of title or memorandum certificate of title or an electronic certificate of title for the motorcycle or vehicle but instead may present a signed affidavit of ownership in a form prescribed by the registrar. The affidavit shall include, at a minimum, the date of purchase, make, model, and vehicle identification number of the motorcycle or vehicle. If no vehicle identification number has been assigned to the off-highway motorcycle or all-purpose vehicle, then the serial number of the motorcycle or vehicle shall be presented at the time of application.

(C) When the owner of an off-highway motorcycle or all-purpose vehicle first registers it in the owner's name, and a certificate of title has been issued for the motorcycle or vehicle, the owner shall present for inspection a physical certificate of title or memorandum certificate of title showing title to the off-highway motorcycle or all-purpose vehicle in the name of the owner if a physical certificate of title or memorandum certificate has been issued by a clerk of a court of common pleas. If, under sections 4519.512 and 4519.58 of the Revised Code, a clerk instead has issued an electronic certificate of title for the applicant's off-highway motorcycle or all-purpose vehicle, that certificate may be presented for inspection at the time of first registration in a manner prescribed by rules adopted by the registrar. In the case of an off-highway motorcycle or all-purpose vehicle that was purchased prior to October 1, 2005, and for which a certificate of title has not been issued, the owner shall not be required to present a physical certificate of title or memorandum certificate of title or an electronic certificate of title for the motorcycle or vehicle but instead may present a signed affidavit of ownership in a form prescribed by the registrar. The affidavit shall include, at a minimum, the date of purchase, make, model, and vehicle identification number of the motorcycle or vehicle. If no vehicle identification number has been assigned to the off-highway motorcycle or all-purpose vehicle, then the serial number of the motorcycle or vehicle shall be presented at the time

of application. If, when the owner of such an off-highway motorcycle or all-purpose vehicle first makes application to register it in the owner's name, the application is not in proper form or the certificate of title or memorandum certificate of title does not accompany the registration or, in the case of an electronic certificate of title or ownership affidavit, it is not presented in a manner prescribed by the registrar, the registration shall be refused, and neither a certificate of registration nor a registration sticker, license plate, or validation sticker shall be issued. When a certificate of registration and registration sticker, license plate, or validation sticker are issued upon the first registration of an off-highway motorcycle or all-purpose vehicle by or on behalf of the owner, the official issuing them shall indicate the issuance with a stamp on the certificate of title ~~or~~ , memorandum certificate of title , or affidavit, or, in the case of an electronic certificate of title, an electronic stamp or other notation as specified in rules adopted by the registrar.

(D) Each deputy registrar shall be allowed a fee of three dollars and fifty cents for each application or renewal application received by the deputy registrar, which shall be for the purpose of compensating the deputy registrar for services, and office and rental expense, as may be necessary for the proper discharge of the deputy registrar's duties in the receiving of applications and the issuing of certificates of registration.

Each deputy registrar, upon receipt of any application for registration, together with the registration fee, shall transmit the fee, together with the original and duplicate copy of the application, to the registrar in the manner and at the times the registrar, subject to the approval of the director of public safety and the treasurer of state, shall prescribe by rule."

In line 90888, after "4519.02," insert "4519.03,"

In line 128 of the title, after "4519.02," insert "4519.03,"

In line 435, after "901.041," insert "901.91,"

Between lines 20279 and 20280, insert:

" **Sec. 901.91.** The director of agriculture may assess the operating funds of the department of agriculture to pay a share of the department's central support and administrative costs. The assessments shall be based on a plan that the director develops and submits to the director of budget and management not later than the fifteenth day of July of the fiscal year in which the assessments are to be made. If the director of budget and management determines that the assessments proposed in the plan are appropriate, the director shall approve the plan. Assessments shall be paid from the funds designated in the plan and credited by means of intrastate transfer voucher to the department of agriculture central support indirect costs fund, which is hereby created in the state treasury. The fund shall be administered by the director of agriculture and used to pay central support and administrative costs of the department of agriculture."

Between lines 92156b and 92157, insert:

"5GH0700655	Central Support Indirect Cost	$	5,713,404	$	5,713,404"

In line 92157, add $5,713,404 to each fiscal year

In line 92192, add $5,713,404 to each fiscal year

In line 106523, after "901.20," insert "901.91,"

In line 194 of the title, after "901.041," insert "901.91,"

Delete line 92329

In line 92332, subtract $100,000 from each fiscal year

In line 92375, subtract $100,000 from each fiscal year

Between lines 98788a and 98789, insert:

"GRF 005406 Law-Related Education $200,000 $200,000"

In line 98790, add $200,000 to each fiscal year

In line 98802, add $200,000 to each fiscal year

Between lines 98802 and 98803, insert:

"LAW-RELATED EDUCATION

The foregoing appropriation item 005406, Law-Related Education, shall be distributed directly to the Ohio Center for Law-Related Education for the purposes of providing continuing citizenship education activities to primary and secondary students, expanding delinquency prevention programs, increasing activities for at-risk youth, and accessing additional public and private money for new programs."

In line 105455, after the period, insert: "However the Superintendent may approve additions, deletions, substitutions, or other changes to one or more of the investment options offered by an entity already designated by the Superintendent to provide investment options under alternative retirement plans prior to the effective date of this section."

In line 293, delete "9.03,"

In line 312, delete "307.12,"

In line 434, delete "307.121,"

Delete lines 530 through 590

Delete lines 17954 through 18216

In line 90795, delete "9.03,"

In line 90814, delete "307.12,"

Between lines 105303 and 105304, insert:

"**Section 703.___.** (A) The board of county commissioners of a county with a population of not less than 800,000 and not more than 900,000 as determined by the most recent federal decennial census shall conduct a pilot

project authorizing commercial advertising on county web sites in accordance with this section.

(B) The board of county commissioners, by resolution adopted by a majority of the board's members, shall authorize commercial advertising on a county web site under this section. The resolution shall include all of the following:

(1) A statement authorizing county officials to place commercial advertisements on web sites of county offices under those county officials;

(2) Requirements and procedures for making requests for proposals under this section;

(3) Any other requirements or limitations necessary to authorize under this section commercial advertising on county web sites.

(C) The board of county commissioners shall send a copy of the resolution to each county official. After receiving the resolution, the county official shall determine if the official intends to implement the resolution. The county official may make requests for proposals in the manner specified by the resolution for the purpose of identifying advertisers who, and whose advertisements will, meet any criteria specified in the request for proposals and any requirements and limitations specified in the resolution. The county official may enter into a contract with such an advertiser whereby the advertiser places an advertisement on the office's web site and pays a fee in consideration to the county general fund. Any contract entered into under this section shall be concluded not later than December 31, 2011.

(D) A county web site on which commercial advertising is placed under this section shall be used exclusively to provide information from a county office to the public, and shall not be used as a public forum.

(E) The pilot project conducted under this section shall conclude on December 31, 2011. Not later than 30 days after the conclusion of the pilot project, the board of county commissioners shall submit a report to the Governor, the Speaker and Minority Leader of the House of Representatives, and the President and Minority Leader of the Senate regarding the operation of the pilot project. The report shall include the board's recommendations on whether commercial advertising on county web sites should be continued and expanded to other counties.

(F) As used in this section:

(1) "Advertising" means internet advertising, including banners and icons that may contain links to commercial internet web sites. "Advertising" does not include "spyware," "malware," or any viruses or programs considered to be malicious.

(2) "County official" includes the county auditor, county treasurer, county engineer, county recorder, county prosecuting attorney, county sheriff, county coroner, board of county commissioners, clerk of the probate court, clerk

of the juvenile court, clerk of court for all divisions of the court of common pleas, clerk of a county-operated municipal court, and clerk of a county court.

(3) "County web site" means any web site, internet page, or web page of a county office, with respective internet addresses or subdomains, that are intended to provide to the public information about services offered by the county office, including relevant forms and searchable data."

In line 1 of the title, delete "9.03,"

In line 27 of the title, delete "307.12,"

In line 193 of the title, delete "307.121,"

In line 11217, after " 124.392" insert " or 124.393"

In line 52852, delete " granted" and insert " constructed pursuant to"; after " need" insert " granted"

In line 370, after "3737.71," insert "3745.015,"

In line 23998, after "3714.073" insert " and division (A)(5) of section 3734.57"

In line 55218, after "Code" insert " ;

(4) An additional one dollar per ton on and after August 1, 2009, through June 30, 2012, the proceeds of which shall be deposited in the state treasury to the credit of the environmental protection fund. The fee established in division (A)(4) of this section does not apply to a solid waste transfer facility or solid waste disposal facility if the facility is located in a county that has a population equal to or greater than four hundred thousand according to the most recent decennial federal census and the property boundary of the facility is located within fifteen miles of the property boundary of a solid waste disposal facility in another state.

(5) An additional twenty-five cents per ton on and after August 1, 2009, through June 30, 2012, the proceeds of which shall be deposited in the state treasury to the credit of the soil and water conservation district assistance fund created in section 1515.14 of the Revised Code. The fee established in division (A)(5) of this section does not apply to a solid waste transfer facility or solid waste disposal facility if the facility is located in a county that has a population equal to or greater than four hundred thousand according to the most recent decennial federal census and the property boundary of the facility is located within fifteen miles of the property boundary of a solid waste disposal facility in another state."

Between lines 56185 and 56186, insert:

"**Sec. 3745.015.** There is hereby created in the state treasury the environmental protection fund consisting of money credited to the fund under ~~division~~ divisions (A)(3) and (4) of section 3734.57 of the Revised Code. The environmental protection agency shall use money in the fund to pay the agency's

costs associated with administering and enforcing, or otherwise conducting activities under, this chapter and Chapters 3704., 3734., 3746., 3747., 3748., 3750., 3751., 3752., 3753., 5709., 6101., 6103., 6105., 6109., 6111., 6112., 6113., 6115., 6117., and 6119. and sections 122.65 and 1521.19 of the Revised Code."

In line 90872, after "3737.71," insert "3745.015,"

In line 106543, after "3718.03," insert "3745.015,"

In line 106 of the title, after "3737.71," insert "3745.015,"

In line 102696, after the period insert "On July 1, 2009, and on the first day of the month for each month thereafter, the Treasurer of State, before making any of the distributions specified in sections 5735.23, 5735.26, 5735.291, and 5735.30 of the Revised Code, shall deposit the first 2 per cent of the amount of motor fuel tax received for the preceding calendar month to the credit of the Highway Operating Fund (Fund 7002)."

Delete lines 97147 through 97158

In line 103327, after the period, insert "The Executive Director of the Air Quality Development Authority may certify to the Director of Budget and Management that a need exists to fund additional advanced energy projects. If the Director of Budget and Management determines that investment earnings of the Advanced Energy Research and Development Taxable Fund (Fund 7004) and the Advanced Energy Research and Development Fund (Fund 7005) are available to fund additional projects, the Director may authorize additional expenditures from Fund 7004 or Fund 7005, subject to the approval of the Controlling Board. If approved by the Controlling Board, such amounts are hereby appropriated.

(D) Notwithstanding any contrary provision of law, upon the request of the Executive Director of the Air Quality Development Authority, the Director of Budget and Management may transfer cash between Funds 7004 and 7005. Any such transfers shall be requested from and approved by the Controlling Board. Amounts transferred are hereby appropriated."

In line 103328, delete "(D)" and insert "(E)"

Delete lines 101943 through 102046

Delete lines 92500 through 92504

In line 427, delete "121.376,"

Delete lines 6207 through 6219

In line 183 of the title, delete "121.376,"

In line 297, delete "120.03, 120.04,"

Delete lines 4934 through 5187

In line 90799, delete "120.03, 120.04,"

In line 6 of the title, delete "120.03, 120.04,"

In line 409, after "5502.15," insert "5505.15,"

In line 454, after "5155.38," insert "5505.152,"

Between lines 80305 and 80306, insert:

"**Sec. 5505.15.** (A)(1) A member of the state highway patrol retirement system shall contribute ten per cent of the member's annual salary to the state highway patrol retirement fund. The amount shall be deducted by the employer from the employee's salary for each payroll period.

(2) The total contributions arising from deductions made prior to January 1, 1966, from the salaries of members in the employ of the state highway patrol and standing to the credit of their individual accounts in the retirement fund shall be transferred and credited to their respective individual accounts in the employees' savings fund.

(B) The state shall annually pay into the employer accumulation fund, in monthly or less frequent installments as the state highway patrol retirement board requires, ~~an amount that shall be a certain percentage of the total salaries paid contributing members and shall be known as~~ the "employer contribution. " The employer contribution shall be an amount equal to twenty-six and one-half per cent of the total salaries paid contributing members. If a member severs connection with the patrol or is dismissed, the employer contribution shall remain in the retirement system.

The rate percentage of the employer contribution shall be certified by the board to the director of budget and management and shall not be lower than nine per cent of the total salaries paid contributing members and shall not exceed three times the rate percentage being deducted from the annual salaries of contributing members. The board shall prepare and submit to the director, on or before the first day of November of each even-numbered year, an estimate of the amounts necessary to pay the state's obligations accruing during the biennium beginning the first day of July of the following year. Such amounts shall be included in the budget and allocated as certified by the board.

Sec. 5505.152. (A) As used in this section, "entry age normal actuarial cost method" means an actuarial cost method under which the actuarial present value of the projected benefits of each individual included in the valuation is allocated on a level basis over the earnings or service of the individual between the entry age and the assumed exit age, with the portion of the actuarial present value that is allocated to the valuation year to be the normal cost and the portion of the actuarial present value not provided for at the valuation date by the actuarial present value of future normal costs to be the actuarial accrued liability. Under this method, the actuarial gains or losses are reflected as they occur in a decrease or increase in the unfunded actuarial accrued liability.

(B) The Ohio retirement study council shall annually review the adequacy of the contribution rates provided under divisions (A) and (B) of

section 5505.15 of the Revised Code and the contribution rates recommended in a report by the actuary of the state highway patrol retirement system for the forthcoming year.

The actuarial calculations used by the actuary shall be based on the entry age normal actuarial cost method, and the adequacy of the contribution rates shall be reported on the basis of that method. The Ohio retirement study council shall make recommendations to the general assembly that it finds necessary for the proper financing of the benefits of the state highway patrol retirement system."

In line 90911, after "5502.15," insert "5505.15,"

In line 158 of the title, after "5502.15," insert "5505.15,"

In line 217 of the title, after "5155.38," insert "5505.152,"

In line 371, after "3745.31," insert "3748.01, 3748.04, 3748.07, 3748.12, 3748.13,"

Between lines 57468 and 57469, insert:

"**Sec. 3748.01.** As used in this chapter:

(A) "Byproduct material" means either of the following:

(1) Any radioactive material, except special nuclear material, yielded in or made radioactive by exposure to radiation incident to the process of producing or utilizing special nuclear material;

(2) The tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content.

(B) "Certified radiation expert" means an individual who has complied with all of the following:

(1) Applied to the director of health for certification as a radiation expert under section 3748.12 of the Revised Code;

(2) Met minimum education and experience requirements established in rules adopted under division (C) of section 3748.04 of the Revised Code;

(3) Been granted a certificate as a radiation expert by the director under section 3748.12 of the Revised Code.

(C) "Closure" or "site closure" refers to a facility for the disposal of low-level radioactive waste or a byproduct material site, as "byproduct material" is defined in division (A)(2) of this section, and means all activities performed at a licensed operation, such as stabilization and contouring, to ensure that the site where the operation occurred is in a stable condition so that only minor custodial care, surveillance, and monitoring are necessary at the site following the termination of the licensed operation.

(D) "Decommissioning" means to safely remove any licensed operation from service and reduce residual radioactivity to a level that permits release of the licensee's property for unrestricted use. With regard to a facility for the disposal of low-level radioactive waste or a byproduct material site, as "byproduct material" is defined in division (A)(2) of this section, "decommissioning" does not include the reduction of residual radioactivity to a level that permits release of the facility for unrestricted use.

(E) "Director of health" includes a designee or authorized representative of the director.

(F) "Disposal," with regard to low-level radioactive waste, means the permanent isolation of that waste in accordance with requirements established by the United States nuclear regulatory commission or the licensing agreement state.

(G) "Disposal site" means that portion of a facility that is used for the disposal of low-level radioactive waste and that consists of disposal units and a buffer zone. "Disposal unit" means a discrete portion of such a facility into which low-level radioactive waste is placed for disposal.

(H)(1) Except as provided in division (H)(2) of this section, "facility" means the state, any political subdivision, person, public or private institution, or group, or any unit of one of those entities, but does not include the federal government or any of its agencies.

(2) For the purposes of the disposal of low-level radioactive waste, "facility" has the same meaning as in section 3747.01 of the Revised Code.

(I) "Handle" means receive, possess, use, store, transfer, install, service, or dispose of sources of radiation unless possession is solely for the purpose of transportation.

(J) "Handler" means a facility that handles sources of radiation unless possession is solely for the purpose of transportation.

(K) "Inspection" means an official review, examination, or observation, including, without limitation, tests, surveys, and monitoring, that is used to determine compliance with rules, orders, requirements, and conditions of the department of health and that is conducted by the director of health.

(L) "Low-level radioactive waste" has the same meaning as in section 3747.01 of the Revised Code with regard to the disposal of low-level radioactive waste. In regard to regulatory control at locations other than a disposal facility, "low-level radioactive waste" has the same meaning as in 42 U.S.C.A. 2021b.

(M) "Quality assurance program" means a program providing for verification by written procedures such as testing, auditing, and inspection to ensure that deficiencies, deviations, defective equipment, or unsafe practices, or a combination thereof, relating to the use, disposal, management, or manufacture of radiation sources are identified, promptly corrected, and reported to the

appropriate regulatory authorities.

(N) "Radiation" means ionizing and nonionizing radiation.

(1) "Ionizing radiation" means gamma rays and X-rays, alpha and beta particles, high-speed electrons, neutrons, protons, and other nuclear particles, but does not include sound or radio waves or visible, infrared, or ultraviolet light.

(2) "Nonionizing radiation" means any electromagnetic radiation, other than ionizing electromagnetic radiation, or any sonic, ultrasonic, or infrasonic wave.

(O) "Radioactive material" means any solid, liquid, or gaseous material that emits ionizing radiation spontaneously. "Radioactive material" includes accelerator-produced and naturally occurring materials and byproduct, source, and special nuclear material.

(P) "Radiation-generating equipment" means any manufactured product or device, or component of such a product or device, or any machine or system that during operation can generate or emit radiation, except those that emit radiation only from radioactive material. "Radiation-generating equipment" does not include either of the following:

(1) Diathermy machines;

(2) Microwave ovens, including food service microwave ovens used for commercial and industrial uses, television receivers, electric lamps, and other household appliances and products that generate very low levels of radiation.

(Q) "Source material" means uranium, thorium, or any combination thereof in any physical or chemical form, or any ores that contain by weight at least one-twentieth of one per cent of uranium, thorium, or any combination thereof. "Source material" does not include special nuclear material.

(R) "Source of radiation" means radioactive material or radiation-generating equipment.

(S) "Special nuclear material" means either of the following:

(1) Plutonium, uranium 233, uranium enriched in the isotope 233 or in the isotope 235, and any other material that the United States nuclear regulatory commission determines to be special nuclear material, but does not include source material pursuant to section 51 of the "Atomic Energy Act of 1954," 68 Stat. 919, 42 U.S.C.A. 2071."

(2) Except for any source material, any material artificially enriched by any of the materials identified in division (S)(1) of this section.

(T) "Storage" means the retention of radioactive materials, including low-level radioactive waste, prior to disposal in a manner that allows for surveillance, control, and subsequent retrieval.

(U) "Medical practitioner" means a person who is authorized pursuant to

Chapter 4715. of the Revised Code to practice dentistry; pursuant to Chapter 4731. of the Revised Code to practice medicine and surgery, osteopathic medicine and surgery, or podiatric medicine and surgery; or pursuant to Chapter 4734. of the Revised Code to practice chiropractic.

(V) "Medical-practitioner group" means a corporation, partnership, or other business entity, other than a hospital as defined in section 3727.01 of the Revised Code, consisting of medical practitioners.

Sec. 3748.04. The public health council, in accordance with Chapter 119. of the Revised Code, shall adopt and may amend or rescind rules doing all of the following:

(A) Listing types of radioactive material for which licensure by its handler is required and types of radiation-generating equipment for which registration by its handler is required, and establishing requirements governing them. Rules adopted under division (A) of this section shall be compatible with applicable federal regulations and shall establish all of the following, without limitation:

(1) Requirements governing both of the following:

(a) The licensing and inspection of handlers of radioactive material. Standards established in rules adopted under division (A)(1)(a) of this section regarding byproduct material or any activity that results in the production of that material, to the extent practicable, shall be equivalent to or more stringent than applicable standards established by the United States nuclear regulatory commission.

(b) The registration and inspection of handlers of radiation-generating equipment. Standards established in rules adopted under division (A)(1)(b) of this section, to the extent practicable, shall be equivalent to applicable standards established by the food and drug administration in the United States department of health and human services.

(2) Identification of and requirements governing possession and use of specifically licensed and generally licensed quantities of radioactive material as either sealed sources or unsealed sources;

(3) A procedure for the issuance of and the frequency of renewal of the licenses of handlers of radioactive material, other than a license for a facility for the disposal of low-level radioactive waste, and of the certificates of registration of handlers of radiation-generating equipment;

(4) Procedures for suspending and revoking the licenses of handlers of radioactive material and the certificates of registration of handlers of radiation-generating equipment;

(5) Criteria to be used by the director of health in amending the license of a handler of radioactive material or the certificate of registration of a handler of radiation-generating equipment subsequent to its issuance;

(6) Criteria for achieving and maintaining compliance with this chapter and rules adopted under it by licensees and registrants;

(7) Criteria governing environmental monitoring of licensed and registered activities to assess compliance with this chapter and rules adopted under it;

(8) ~~Except as otherwise provided in division (A)(8) of this section, fees~~ Fees for ~~the~~ both of the following:

(a) The licensing of handlers ~~of radioactive material~~, other than ~~a facility~~ facilities for the disposal of low-level radioactive waste, ~~and the~~ of radioactive material;

(b) The registration of handlers , other than facilities that are, or are operated by, medical practitioners or medical-practitioner groups, of radiation-generating equipment ~~and a~~ .

(9) A fee schedule for ~~their~~ both of the following that includes fees for reviews, conducted during an inspection, of shielding plans or the adequacy of shielding:

(a) The inspection of handlers of radioactive material;

(b) The inspection of handlers, other than facilities that are, or are operated by, medical practitioners or medical-practitioner groups, of radiation-generating equipment. ~~Rules adopted under division (A)(8) of this section shall not revise any fees established in section 3748.07 or 3748.13 of the Revised Code to be paid by any handler of radiation-generating equipment that is a medical practitioner or a corporation, partnership, or other business entity consisting of medical practitioners, other than a hospital as defined in section 3727.01 of the Revised Code.~~

~~As used in division (A)(8) of this section, "medical practitioner" means a person who is authorized to practice dentistry pursuant to Chapter 4715. of the Revised Code; medicine and surgery, osteopathic medicine and surgery, or podiatry pursuant to Chapter 4731. of the Revised Code; or chiropractic pursuant to Chapter 4734. of the Revised Code.~~

(B)(1) Identifying sources of radiation, circumstances of possession, use, or disposal of sources of radiation, and levels of radiation that constitute an unreasonable or unnecessary risk to human health or the environment;

(2) Establishing requirements for the achievement and maintenance of compliance with standards for the receipt, possession, use, storage, installation, transfer, servicing, and disposal of sources of radiation to prevent levels of radiation that constitute an unreasonable or unnecessary risk to human health or the environment;

(3) Requiring the maintenance of records on the receipt, use, storage, transfer, and disposal of radioactive material and on the radiological safety aspects of the use and maintenance of radiation-generating equipment.

In adopting rules under divisions (A) and (B) of this section, the council shall use standards no less stringent than the "suggested state regulations for control of radiation" prepared by the conference of radiation control program directors, inc., and regulations adopted by the United States nuclear regulatory commission, the United States environmental protection agency, and the United States department of health and human services and shall consider reports of the national council on radiation protection and measurement and the relevant standards of the American national standards institute.

(C) Establishing fees, procedures, and requirements for certification as a radiation expert, including all of the following, without limitation:

(1) Minimum training and experience requirements;

(2) Procedures for applying for certification;

(3) Procedures for review of applications and issuance of certificates;

(4) Procedures for suspending and revoking certification.

(D) Establishing a schedule for inspection of sources of radiation and their shielding and surroundings;

(E) Establishing the responsibilities of a radiation expert;

(F) Establishing criteria for quality assurance programs for licensees of radioactive material and registrants of radiation-generating equipment;

(G) Establishing fees to be paid by any facility that, on September 8, 1995, holds a license from the United States nuclear regulatory commission in order to provide moneys necessary for the transfer of licensing and other regulatory authority from the commission to the state pursuant to section 3748.03 of the Revised Code. Rules adopted under this division shall stipulate that fees so established do not apply to any functions dealing specifically with a facility for the disposal of low-level radioactive waste. Fees collected under this division shall be deposited into the state treasury to the credit of the general operations fund created in section 3701.83 of the Revised Code. The fees shall be used solely to administer and enforce this chapter and rules adopted under it.

(H) Establishing fees to be collected annually from generators of low-level radioactive waste, which shall be based upon the volume and radioactivity of the waste generated and the costs of administering low-level radioactive waste management activities under this chapter and rules adopted under it. All fees collected under this division shall be deposited into the state treasury to the credit of the general operations fund created in section 3701.83 of the Revised Code. The fees shall be used solely to administer and enforce this chapter and rules adopted under it. Any fee required under this division that has not been paid within ninety days after the invoice date shall be assessed at two times the original invoiced fee. Any fee that has not been paid within one hundred eighty days after the invoice date shall be assessed at five times the original invoiced fee.

(I) Establishing requirements governing closure, decontamination, decommissioning, reclamation, and long-term surveillance and care of a facility licensed under this chapter and rules adopted under it. Rules adopted under division (I) of this section shall include, without limitation, all of the following:

(1) Standards and procedures to ensure that a licensee prepares a decommissioning funding plan that provides an adequate financial guaranty to permit the completion of all requirements governing the closure, decontamination, decommissioning, and reclamation of sites, structures, and equipment used in conjunction with a licensed activity;

(2) For licensed activities where radioactive material that will require surveillance or care is likely to remain at the site after the licensed activities cease, as indicated in the application for the license submitted under section 3748.07 of the Revised Code, standards and procedures to ensure that the licensee prepares an additional decommissioning funding plan for long-term surveillance and care, before termination of the license, that provides an additional adequate financial guaranty as necessary to provide for that surveillance and care;

(3) For the purposes of the decommissioning funding plans required in rules adopted under divisions (I)(1) and (2) of this section, the types of acceptable financial guaranties, which shall include bonds issued by fidelity or surety companies authorized to do business in the state, certificates of deposit, deposits of government securities, irrevocable letters or lines of credit, trust funds, escrow accounts, or other similar types of arrangements, but shall not include any arrangement that constitutes self-insurance;

(4) A requirement that the decommissioning funding plans required in rules adopted under divisions (I)(1) and (2) of this section contain financial guaranties in amounts sufficient to ensure compliance with any standards established by the United States nuclear regulatory commission, or by the state if it has become an agreement state pursuant to section 3748.03 of the Revised Code, pertaining to closure, decontamination, decommissioning, reclamation, and long-term surveillance and care of licensed activities and sites of licensees.

Standards established in rules adopted under division (I) of this section regarding any activity that resulted in the production of byproduct material, as defined in division (A)(2) of section 3748.01 of the Revised Code, to the extent practicable, shall be equivalent to or more stringent than standards established by the United States nuclear regulatory commission for sites at which ores were processed primarily for their source material content and at which byproduct material, as defined in division (A)(2) of section 3748.01 of the Revised Code, is deposited.

(J) Establishing criteria governing inspections of a facility for the disposal of low-level radioactive waste, including, without limitation, the establishment of a resident inspector program at such a facility;

(K) Establishing requirements and procedures governing the filing of

complaints under section 3748.16 of the Revised Code, including, without limitation, those governing intervention in a hearing held under division (B)(3) of that section.

Sec. 3748.07. (A) Every facility that proposes to handle radioactive material or radiation-generating equipment for which licensure or registration, respectively, by its handler is required shall apply in writing to the director of health on forms prescribed and provided by the director for licensure or registration. Terms and conditions of licenses and certificates of registration may be amended in accordance with rules adopted under section 3748.04 of the Revised Code or orders issued by the director pursuant to section 3748.05 of the Revised Code.

(B) ~~Until rules are adopted under section 3748.04 of the Revised Code, an application~~

(1) An applicant proposing to handle radioactive material shall pay for a license or renewal of a license the appropriate fee specified in rules adopted under section 3748.04 of the Revised Code and listed on an invoice provided by the director. The applicant shall pay the fee on receipt of the invoice.

(2)(a) Except as provided in division (B)(2)(b) of this section, until fees are established in rules adopted under division (A)(8)(b) of section 3748.04 of the Revised Code, an applicant proposing to handle radiation-generating equipment shall pay for a certificate of registration or renewal of a certificate a biennial registration fee of two hundred sixty-two dollars.

Except as provided in division (B)(2)(b) of this section, on and after the effective date of the rules in which fees are established under division (A)(8)(b) of section 3748.04 of the Revised Code, an applicant proposing to handle radiation-generating equipment shall pay for a certificate of registration or renewal of a certificate the appropriate fee established in those rules.

The applicant shall pay the fees described in division (B)(2)(a) of this section at the time of applying for a certificate of registration or renewal of a certificate.

(b) An applicant that is, or is operated by, a medical practitioner or medical-practitioner group and proposes to handle radiation-generating equipment shall pay for a certificate of registration ~~shall be accompanied by~~ or renewal of a certificate a biennial registration fee of two hundred ~~eighteen~~ sixty-two dollars. ~~On and after the effective date of those rules, an applicant for a license, registration certificate, or renewal of either shall pay the appropriate fee established in those rules~~ The applicant shall pay the fee at the time of applying for a certificate of registration or renewal of the certificate.

(C) All fees collected under this section shall be deposited in the state treasury to the credit of the general operations fund created in section 3701.83 of the Revised Code. The fees shall be used solely to administer and enforce this chapter and rules adopted under it.

(D) Any fee required under this section that has not been paid within ninety days after the invoice date shall be assessed at two times the original invoiced fee. Any fee that has not been paid within one hundred eighty days after the invoice date shall be assessed at five times the original invoiced fee.

~~(C)~~ (E) The director shall grant a license or registration to any applicant who has paid the required fee and is in compliance with this chapter and rules adopted under it.

~~Until rules are adopted under section 3748.04 of the Revised Code, certificates of registration shall be effective for two years from the date of issuance. On and after the effective date of those rules~~ (F) Except as provided in division (B)(2) of this section, licenses and certificates of registration shall be effective for the applicable period established in ~~those~~ rules adopted under section 3748.04 of the Revised Code. Licenses and certificates of registration shall be renewed in accordance with the ~~standard~~ renewal procedure established in ~~Chapter 4745.~~ rules adopted under section 3748.04 of the Revised Code.

Sec. 3748.12. The director of health shall certify radiation experts pursuant to rules adopted under division (C) of section 3748.04 of the Revised Code. The director shall issue a certificate to each person certified under this section. An individual certified by the director is qualified to develop, provide periodic review of, and conduct audits of the quality assurance program for sources of radiation for which such a program is required under division (A) of section 3748.13 of the Revised Code.

The public health council shall establish an application fee for applying for certification and a biennial certification renewal fee in rules adopted under division (C) of section 3748.04 of the Revised Code. ~~Until those rules are adopted, the application fee for initial certification shall be fifty dollars plus an additional twenty-five dollars for each type of radiation-generating equipment listed in division (B) of section 3748.13 of the Revised Code for which application is being made. The certification renewal fee shall be one hundred fifteen dollars.~~ A certificate issued under this section shall expire two years after the date of its issuance. To maintain certification, a radiation expert shall apply to the director for renewal of certification in accordance with the standard renewal procedures established in Chapter 4745. of the Revised Code. The certification renewal fee is not required for initial certification, but shall be paid for every renewal of certification. Fees collected under this section shall be deposited into the state treasury to the credit of the general operations fund created in section 3701.83 of the Revised Code. The fees shall be used solely to administer and enforce this chapter and rules adopted under it. Any fee required under this section that has not been paid within ninety days after the invoice date shall be assessed at two times the original invoiced fee. Any fee that has not been paid within one hundred eighty days after the invoice date shall be assessed at five times the original invoiced fee.

Sec. 3748.13. (A) The director of health shall inspect sources of radiation for which licensure or registration by the handler is required, and the sources'

shielding and surroundings, according to the schedule established in rules adopted under division (D) of section 3748.04 of the Revised Code. In accordance with rules adopted under ~~that~~ section 3748.04 of the Revised Code, the director shall inspect all records and operating procedures of handlers that install or service sources of radiation and all sources of radiation for which licensure of radioactive material or registration of radiation-generating equipment by the handler is required. The director may make other inspections upon receiving complaints or other evidence of a violation of this chapter or rules adopted under it.

The director shall require any hospital registered under division (A) of section 3701.07 of the Revised Code to develop and maintain a quality assurance program for all sources of radiation-generating equipment. A certified radiation expert shall conduct oversight and maintenance of the program and shall file a report of audits of the program with the director on forms prescribed by the director. The audit reports shall become part of the inspection record.

(B) ~~Until rules are adopted under division (A)(8) of section 3748.04 of the Revised Code~~ (1) Except as provided in division (B)(2) of this section, a facility shall pay inspection fees for radioactive material and radiation-generating equipment according to the ~~following~~ schedule and categories established in rules adopted under division (A)(9) of section 3748.04 of the Revised Code .

(2) A facility that is, or is operated by, a medical practitioner or medical-practitioner group shall pay inspection fees for radiation-generating equipment according to the following schedule and categories:

First dental x-ray tube	$ ~~129.00~~ 155.00
Each additional dental x-ray tube at the same location	$ ~~64.00~~ 77.00
First medical x-ray tube	$ ~~256.00~~ 307.00
Each additional medical x-ray tube at the same location	$ ~~136.00~~ 163.00
Each unit of ionizing radiation-generating equipment capable of operating at or above 250 kilovoltage peak	$ ~~508.00~~ 610.00
First nonionizing radiation-generating equipment of any kind	$ ~~256.00~~ 307.00
Each additional nonionizing radiation-generating equipment of any kind at the same location	$ ~~136.00~~ 163.00
~~Assembler-maintainer inspection consisting of an inspection of records and operating procedures of handlers that install sources of radiation~~	~~$ 317.00~~

~~Until rules are adopted under division (A)(8) of section 3748.04 of the Revised Code, the fee for an inspection to determine whether violations cited in a previous inspection have been corrected is fifty per cent of the fee applicable under the schedule in this division. Until those rules are adopted~~ (C)(1) Except as provided in division (C)(2) of this section, the fee for the inspection of a facility that proposes to handle radioactive material or radiation-generating equipment and is not licensed or registered , and for which no license or

registration application is pending at the time of inspection , is ~~three~~ four hundred ~~ninety-five~~ seventy-four dollars plus the applicable fee specified in rules adopted under division (A)(9) of section 3748.04 of the Revised Code.

(2) For a facility that is, or is operated by, a medical practitioner or medical-practitioner group and proposes to handle radiation-generating equipment, the fee for an inspection if the facility is not licensed or registered, and no license or registration is pending at the time of inspection, is four hundred seventy-four dollars plus the fee applicable under the schedule in ~~this~~ division (B)(2) of this section.

(D)(1) Except as provided in division (D)(2) of this section, for a facility that handles radioactive material or radiation-generating equipment, the fee for an inspection to determine whether violations cited in a previous inspection have been corrected is the amount specified in rules adopted under division (A)(9) of section 3748.04 of the Revised Code.

(2) For a facility that is, or is operated by, a medical practitioner or medical-practitioner group and handles radiation-generating equipment, the fee for an inspection to determine whether violations cited in a previous inspection have been corrected is fifty per cent of the applicable fee under the schedule in division (B)(2) of this section.

(E) The director may conduct a review of shielding plans or the adequacy of shielding on the request of a licensee or registrant or an applicant for licensure or registration or during an inspection when the director considers a review to be necessary. ~~Until rules are adopted under division (A)(8) of section 3748.04 of the Revised Code~~

(1) Except as provided in division (E)(2) of this section, the fee for the review is ~~six~~ the applicable amount specified in rules adopted under division (A)(9) of section 3748.04 of the Revised Code.

(2) For a facility that is, or is operated by, a medical practitioner or medical-practitioner group and handles or proposes to handle radiation-generating equipment, the fee for the review is seven hundred ~~thirty-five~~ sixty-two dollars for each room where a source of radiation is used and is in addition to any other fee applicable under the schedule in ~~this~~ division (B)(2) of this section.

(F) All fees shall be paid to the department of health no later than thirty days after the invoice for the fee is mailed. Fees shall be deposited in the general operations fund created in section 3701.83 of the Revised Code. The fees shall be used solely to administer and enforce this chapter and rules adopted under it.

(G) Any fee required under this section that has not been paid within ninety days after the invoice date shall be assessed at two times the original invoiced fee. Any fee that has not been paid within one hundred eighty days after the invoice date shall be assessed at five times the original invoiced fee.

~~(C)~~ (H) If the director determines that a board of health of a city or

general health district is qualified to conduct inspections of radiation-generating equipment, the director may delegate to the board, by contract, the authority to conduct such inspections. In making a determination of the qualifications of a board of health to conduct those inspections, the director shall evaluate the credentials of the individuals who are to conduct the inspections of radiation-generating equipment and the radiation detection and measuring equipment available to them for that purpose. If a contract is entered into, the board shall have the same authority to make inspections of radiation-generating equipment as the director has under this chapter and rules adopted under it. The contract shall stipulate that only individuals approved by the director as qualified shall be permitted to inspect radiation-generating equipment under the contract's provisions. The contract shall provide for such compensation for services as is agreed to by the director and the board of health of the contracting health district. The director may reevaluate the credentials of the inspection personnel and their radiation detecting and measuring equipment as often as the director considers necessary and may terminate any contract with the board of health of any health district that, in the director's opinion, is not satisfactorily performing the terms of the contract.

~~(D)~~ (I) The director may enter at all reasonable times upon any public or private property to determine compliance with this chapter and rules adopted under it."

In line 90873, after "3745.31," insert "3748.01, 3748.04, 3748.07, 3748.12, 3748.13,"

In line 106543, after "3718.03," insert "3748.01, 3748.04, 3748.07, 3748.12, 3748.13,"

In line 107 of the title, after "3745.31," insert "3748.01, 3748.04, 3748.07, 3748.12, 3748.13,"

In line 6179, after " (A)" insert " As used in this section:

"At-risk individual" means an individual at great risk of not being able to access available health and social services due to barriers such as poverty, inadequate transportation, culture, and priorities of basic survival.

"Care coordination agency" means a person or government entity that assists at-risk individuals access available health and social services the at-risk individuals need.

(B)"

In line 6196, delete " (B)" and insert " (C)"

Delete lines 6203 through 6206

In line 376, after "4117.24," insert "4141.01,"; after "4141.162," insert "4141.31,"

Between lines 61650 and 61651, insert:

"**Sec. 4141.01.** As used in this chapter, unless the context otherwise requires:

(A)(1) "Employer" means the state, its instrumentalities, its political subdivisions and their instrumentalities, Indian tribes, and any individual or type of organization including any partnership, limited liability company, association, trust, estate, joint-stock company, insurance company, or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee, or the successor thereof, or the legal representative of a deceased person who subsequent to December 31, 1971, or in the case of political subdivisions or their instrumentalities, subsequent to December 31, 1973:

(a) Had in employment at least one individual, or in the case of a nonprofit organization, subsequent to December 31, 1973, had not less than four individuals in employment for some portion of a day in each of twenty different calendar weeks, in either the current or the preceding calendar year whether or not the same individual was in employment in each such day; or

(b) Except for a nonprofit organization, had paid for service in employment wages of fifteen hundred dollars or more in any calendar quarter in either the current or preceding calendar year; or

(c) Had paid, subsequent to December 31, 1977, for employment in domestic service in a local college club, or local chapter of a college fraternity or sorority, cash remuneration of one thousand dollars or more in any calendar quarter in the current calendar year or the preceding calendar year, or had paid subsequent to December 31, 1977, for employment in domestic service in a private home cash remuneration of one thousand dollars in any calendar quarter in the current calendar year or the preceding calendar year:

(i) For the purposes of divisions (A)(1)(a) and (b) of this section, there shall not be taken into account any wages paid to, or employment of, an individual performing domestic service as described in this division.

(ii) An employer under this division shall not be an employer with respect to wages paid for any services other than domestic service unless the employer is also found to be an employer under division (A)(1)(a), (b), or (d) of this section.

(d) As a farm operator or a crew leader subsequent to December 31, 1977, had in employment individuals in agricultural labor; and

(i) During any calendar quarter in the current calendar year or the preceding calendar year, paid cash remuneration of twenty thousand dollars or more for the agricultural labor; or

(ii) Had at least ten individuals in employment in agricultural labor, not including agricultural workers who are aliens admitted to the United States to perform agricultural labor pursuant to sections 1184(c) and 1101(a)(15)(H) of the "Immigration and Nationality Act," 66 Stat. 163, 189, 8 U.S.C.A. 1101(a)(15)(H)(ii)(a), 1184(c), for some portion of a day in each of the twenty

different calendar weeks, in either the current or preceding calendar year whether or not the same individual was in employment in each day; or

(e) Is not otherwise an employer as defined under division (A)(1)(a) or (b) of this section; and

(i) For which, within either the current or preceding calendar year, service, except for domestic service in a private home not covered under division (A)(1)(c) of this section, is or was performed with respect to which such employer is liable for any federal tax against which credit may be taken for contributions required to be paid into a state unemployment fund;

(ii) Which, as a condition for approval of this chapter for full tax credit against the tax imposed by the "Federal Unemployment Tax Act," 84 Stat. 713, 26 U.S.C.A. 3301 to 3311, is required, pursuant to such act to be an employer under this chapter; or

(iii) Who became an employer by election under division (A)(4) or (5) of this section and for the duration of such election; or

(f) In the case of the state, its instrumentalities, its political subdivisions, and their instrumentalities, and Indian tribes, had in employment, as defined in divisions (B)(2)(a) and (B)(2)(l) of this section, at least one individual;

(g) For the purposes of division (A)(1)(a) of this section, if any week includes both the thirty-first day of December and the first day of January, the days of that week before the first day of January shall be considered one calendar week and the days beginning the first day of January another week.

(2) Each individual employed to perform or to assist in performing the work of any agent or employee of an employer is employed by such employer for all the purposes of this chapter, whether such individual was hired or paid directly by such employer or by such agent or employee, provided the employer had actual or constructive knowledge of the work. All individuals performing services for an employer of any person in this state who maintains two or more establishments within this state are employed by a single employer for the purposes of this chapter.

(3) An employer subject to this chapter within any calendar year is subject to this chapter during the whole of such year and during the next succeeding calendar year.

(4) An employer not otherwise subject to this chapter who files with the director of job and family services a written election to become an employer subject to this chapter for not less than two calendar years shall, with the written approval of such election by the director, become an employer subject to this chapter to the same extent as all other employers as of the date stated in such approval, and shall cease to be subject to this chapter as of the first day of January of any calendar year subsequent to such two calendar years only if at least thirty days prior to such first day of January the employer has filed with the director a written notice to that effect.

(5) Any employer for whom services that do not constitute employment are performed may file with the director a written election that all such services performed by individuals in the employer's employ in one or more distinct establishments or places of business shall be deemed to constitute employment for all the purposes of this chapter, for not less than two calendar years. Upon written approval of the election by the director, such services shall be deemed to constitute employment subject to this chapter from and after the date stated in such approval. Such services shall cease to be employment subject to this chapter as of the first day of January of any calendar year subsequent to such two calendar years only if at least thirty days prior to such first day of January such employer has filed with the director a written notice to that effect.

(B)(1) "Employment" means service performed by an individual for remuneration under any contract of hire, written or oral, express or implied, including service performed in interstate commerce and service performed by an officer of a corporation, without regard to whether such service is executive, managerial, or manual in nature, and without regard to whether such officer is a stockholder or a member of the board of directors of the corporation, unless it is shown to the satisfaction of the director that such individual has been and will continue to be free from direction or control over the performance of such service, both under a contract of service and in fact. The director shall adopt rules to define "direction or control."

(2) "Employment" includes:

(a) Service performed after December 31, 1977, by an individual in the employ of the state or any of its instrumentalities, or any political subdivision thereof or any of its instrumentalities or any instrumentality of more than one of the foregoing or any instrumentality of any of the foregoing and one or more other states or political subdivisions and without regard to divisions (A)(1)(a) and (b) of this section, provided that such service is excluded from employment as defined in the "Federal Unemployment Tax Act," 53 Stat. 183, 26 U.S.C.A. 3301, 3306(c)(7) and is not excluded under division (B)(3) of this section; or the services of employees covered by voluntary election, as provided under divisions (A)(4) and (5) of this section;

(b) Service performed after December 31, 1971, by an individual in the employ of a religious, charitable, educational, or other organization which is excluded from the term "employment" as defined in the "Federal Unemployment Tax Act," 84 Stat. 713, 26 U.S.C.A. 3301 to 3311, solely by reason of section 26 U.S.C.A. 3306(c)(8) of that act and is not excluded under division (B)(3) of this section;

(c) Domestic service performed after December 31, 1977, for an employer, as provided in division (A)(1)(c) of this section;

(d) Agricultural labor performed after December 31, 1977, for a farm operator or a crew leader, as provided in division (A)(1)(d) of this section;

(e) Service not covered under division (B)(1) of this section which is

performed after December 31, 1971:

(i) As an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery products, beverages other than milk, laundry, or dry-cleaning services, for the individual's employer or principal;

(ii) As a traveling or city salesperson, other than as an agent-driver or commission-driver, engaged on a full-time basis in the solicitation on behalf of and in the transmission to the salesperson's employer or principal except for sideline sales activities on behalf of some other person of orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments for merchandise for resale, or supplies for use in their business operations, provided that for the purposes of division (B)(2)(e)(ii) of this section, the services shall be deemed employment if the contract of service contemplates that substantially all of the services are to be performed personally by the individual and that the individual does not have a substantial investment in facilities used in connection with the performance of the services other than in facilities for transportation, and the services are not in the nature of a single transaction that is not a part of a continuing relationship with the person for whom the services are performed.

(f) An individual's entire service performed within or both within and without the state if:

(i) The service is localized in this state.

(ii) The service is not localized in any state, but some of the service is performed in this state and either the base of operations, or if there is no base of operations then the place from which such service is directed or controlled, is in this state or the base of operations or place from which such service is directed or controlled is not in any state in which some part of the service is performed but the individual's residence is in this state.

(g) Service not covered under division (B)(2)(f)(ii) of this section and performed entirely without this state, with respect to no part of which contributions are required and paid under an unemployment compensation law of any other state, the Virgin Islands, Canada, or of the United States, if the individual performing such service is a resident of this state and the director approves the election of the employer for whom such services are performed; or, if the individual is not a resident of this state but the place from which the service is directed or controlled is in this state, the entire services of such individual shall be deemed to be employment subject to this chapter, provided service is deemed to be localized within this state if the service is performed entirely within this state or if the service is performed both within and without this state but the service performed without this state is incidental to the individual's service within the state, for example, is temporary or transitory in nature or consists of isolated transactions;

(h) Service of an individual who is a citizen of the United States,

performed outside the United States except in Canada after December 31, 1971, or the Virgin Islands, after December 31, 1971, and before the first day of January of the year following that in which the United States secretary of labor approves the Virgin Islands law for the first time, in the employ of an American employer, other than service which is "employment" under divisions (B)(2)(f) and (g) of this section or similar provisions of another state's law, if:

(i) The employer's principal place of business in the United States is located in this state;

(ii) The employer has no place of business in the United States, but the employer is an individual who is a resident of this state; or the employer is a corporation which is organized under the laws of this state, or the employer is a partnership or a trust and the number of partners or trustees who are residents of this state is greater than the number who are residents of any other state; or

(iii) None of the criteria of divisions (B)(2)(f)(i) and (ii) of this section is met but the employer has elected coverage in this state or the employer having failed to elect coverage in any state, the individual has filed a claim for benefits, based on such service, under this chapter.

(i) For the purposes of division (B)(2)(h) of this section, the term "American employer" means an employer who is an individual who is a resident of the United States; or a partnership, if two-thirds or more of the partners are residents of the United States; or a trust, if all of the trustees are residents of the United States; or a corporation organized under the laws of the United States or of any state, provided the term "United States" includes the states, the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands.

(j) Notwithstanding any other provisions of divisions (B)(1) and (2) of this section, service, except for domestic service in a private home not covered under division (A)(1)(c) of this section, with respect to which a tax is required to be paid under any federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment fund, or service, except for domestic service in a private home not covered under division (A)(1)(c) of this section, which, as a condition for full tax credit against the tax imposed by the "Federal Unemployment Tax Act," 84 Stat. 713, 26 U.S.C.A. 3301 to 3311, is required to be covered under this chapter.

(k) Construction services performed by any individual under a construction contract, as defined in section 4141.39 of the Revised Code, if the director determines that the employer for whom services are performed has the right to direct or control the performance of the services and that the individuals who perform the services receive remuneration for the services performed. The director shall presume that the employer for whom services are performed has the right to direct or control the performance of the services if ten or more of the following criteria apply:

(i) The employer directs or controls the manner or method by which instructions are given to the individual performing services;

(ii) The employer requires particular training for the individual performing services;

(iii) Services performed by the individual are integrated into the regular functioning of the employer;

(iv) The employer requires that services be provided by a particular individual;

(v) The employer hires, supervises, or pays the wages of the individual performing services;

(vi) A continuing relationship between the employer and the individual performing services exists which contemplates continuing or recurring work, even if not full-time work;

(vii) The employer requires the individual to perform services during established hours;

(viii) The employer requires that the individual performing services be devoted on a full-time basis to the business of the employer;

(ix) The employer requires the individual to perform services on the employer's premises;

(x) The employer requires the individual performing services to follow the order of work established by the employer;

(xi) The employer requires the individual performing services to make oral or written reports of progress;

(xii) The employer makes payment to the individual for services on a regular basis, such as hourly, weekly, or monthly;

(xiii) The employer pays expenses for the individual performing services;

(xiv) The employer furnishes the tools and materials for use by the individual to perform services;

(xv) The individual performing services has not invested in the facilities used to perform services;

(xvi) The individual performing services does not realize a profit or suffer a loss as a result of the performance of the services;

(xvii) The individual performing services is not performing services for more than two employers simultaneously;

(xviii) The individual performing services does not make the services available to the general public;

(xix) The employer has a right to discharge the individual performing services;

(xx) The individual performing services has the right to end the

individual's relationship with the employer without incurring liability pursuant to an employment contract or agreement.

(l) Service performed by an individual in the employ of an Indian tribe as defined by section 4(e) of the "Indian Self-Determination and Education Assistance Act," 88 Stat. 2204 (1975), 25 U.S.C.A. 450b(e), including any subdivision, subsidiary, or business enterprise wholly owned by an Indian tribe provided that the service is excluded from employment as defined in the "Federal Unemployment Tax Act," 53 Stat. 183, (1939), 26 U.S.C.A. 3301 and 3306(c)(7) and is not excluded under division (B)(3) of this section.

(3) "Employment" does not include the following services if they are found not subject to the "Federal Unemployment Tax Act," 84 Stat. 713 (1970), 26 U.S.C.A. 3301 to 3311, and if the services are not required to be included under division (B)(2)(j) of this section:

(a) Service performed after December 31, 1977, in agricultural labor, except as provided in division (A)(1)(d) of this section;

(b) Domestic service performed after December 31, 1977, in a private home, local college club, or local chapter of a college fraternity or sorority except as provided in division (A)(1)(c) of this section;

(c) Service performed after December 31, 1977, for this state or a political subdivision as described in division (B)(2)(a) of this section when performed:

(i) As a publicly elected official;

(ii) As a member of a legislative body, or a member of the judiciary;

(iii) As a military member of the Ohio national guard;

(iv) As an employee, not in the classified service as defined in section 124.11 of the Revised Code, serving on a temporary basis in case of fire, storm, snow, earthquake, flood, or similar emergency;

(v) In a position which, under or pursuant to law, is designated as a major nontenured policymaking or advisory position, not in the classified service of the state, or a policymaking or advisory position the performance of the duties of which ordinarily does not require more than eight hours per week.

(d) In the employ of any governmental unit or instrumentality of the United States;

(e) Service performed after December 31, 1971:

(i) Service in the employ of an educational institution or institution of higher education, including those operated by the state or a political subdivision, if such service is performed by a student who is enrolled and is regularly attending classes at the educational institution or institution of higher education; or

(ii) By an individual who is enrolled at a nonprofit or public educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on as a student in a full-time program, taken for credit at the institution, which combines academic instruction with work experience, if the service is an integral part of the program, and the institution has so certified to the employer, provided that this subdivision shall not apply to service performed in a program established for or on behalf of an employer or group of employers;

(f) Service performed by an individual in the employ of the individual's son, daughter, or spouse and service performed by a child under the age of eighteen in the employ of the child's father or mother;

(g) Service performed for one or more principals by an individual who is compensated on a commission basis, who in the performance of the work is master of the individual's own time and efforts, and whose remuneration is wholly dependent on the amount of effort the individual chooses to expend, and which service is not subject to the "Federal Unemployment Tax Act," 53 Stat. 183 (1939), 26 U.S.C.A. 3301 to 3311. Service performed after December 31, 1971:

(i) By an individual for an employer as an insurance agent or as an insurance solicitor, if all this service is performed for remuneration solely by way of commission;

(ii) As a home worker performing work, according to specifications furnished by the employer for whom the services are performed, on materials or goods furnished by such employer which are required to be returned to the employer or to a person designated for that purpose.

(h) Service performed after December 31, 1971:

(i) In the employ of a church or convention or association of churches, or in an organization which is operated primarily for religious purposes and which is operated, supervised, controlled, or principally supported by a church or convention or association of churches;

(ii) By a duly ordained, commissioned, or licensed minister of a church in the exercise of the individual's ministry or by a member of a religious order in the exercise of duties required by such order; or

(iii) In a facility conducted for the purpose of carrying out a program of rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, or providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market, by an individual receiving such rehabilitation or remunerative work;

(i) Service performed after June 30, 1939, with respect to which unemployment compensation is payable under the "Railroad Unemployment

Insurance Act," 52 Stat. 1094 (1938), 45 U.S.C. 351;

(j) Service performed by an individual in the employ of any organization exempt from income tax under section 501 of the "Internal Revenue Code of 1954," if the remuneration for such service does not exceed fifty dollars in any calendar quarter, or if such service is in connection with the collection of dues or premiums for a fraternal beneficial society, order, or association and is performed away from the home office or is ritualistic service in connection with any such society, order, or association;

(k) Casual labor not in the course of an employer's trade or business; incidental service performed by an officer, appraiser, or member of a finance committee of a bank, building and loan association, savings and loan association, or savings association when the remuneration for such incidental service exclusive of the amount paid or allotted for directors' fees does not exceed sixty dollars per calendar quarter is casual labor;

(l) Service performed in the employ of a voluntary employees' beneficial association providing for the payment of life, sickness, accident, or other benefits to the members of such association or their dependents or their designated beneficiaries, if admission to a membership in such association is limited to individuals who are officers or employees of a municipal or public corporation, of a political subdivision of the state, or of the United States and no part of the net earnings of such association inures, other than through such payments, to the benefit of any private shareholder or individual;

(m) Service performed by an individual in the employ of a foreign government, including service as a consular or other officer or employee or of a nondiplomatic representative;

(n) Service performed in the employ of an instrumentality wholly owned by a foreign government if the service is of a character similar to that performed in foreign countries by employees of the United States or of an instrumentality thereof and if the director finds that the secretary of state of the United States has certified to the secretary of the treasury of the United States that the foreign government, with respect to whose instrumentality exemption is claimed, grants an equivalent exemption with respect to similar service performed in the foreign country by employees of the United States and of instrumentalities thereof;

(o) Service with respect to which unemployment compensation is payable under an unemployment compensation system established by an act of congress;

(p) Service performed as a student nurse in the employ of a hospital or a nurses' training school by an individual who is enrolled and is regularly attending classes in a nurses' training school chartered or approved pursuant to state law, and service performed as an intern in the employ of a hospital by an individual who has completed a four years' course in a medical school chartered or approved pursuant to state law;

(q) Service performed by an individual under the age of eighteen in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution;

(r) Service performed in the employ of the United States or an instrumentality of the United States immune under the Constitution of the United States from the contributions imposed by this chapter, except that to the extent that congress permits states to require any instrumentalities of the United States to make payments into an unemployment fund under a state unemployment compensation act, this chapter shall be applicable to such instrumentalities and to services performed for such instrumentalities in the same manner, to the same extent, and on the same terms as to all other employers, individuals, and services, provided that if this state is not certified for any year by the proper agency of the United States under section 3304 of the "Internal Revenue Code of 1954," the payments required of such instrumentalities with respect to such year shall be refunded by the director from the fund in the same manner and within the same period as is provided in division (E) of section 4141.09 of the Revised Code with respect to contributions erroneously collected;

(s) Service performed by an individual as a member of a band or orchestra, provided such service does not represent the principal occupation of such individual, and which service is not subject to or required to be covered for full tax credit against the tax imposed by the "Federal Unemployment Tax Act," 53 Stat. 183 (1939), 26 U.S.C.A. 3301 to 3311.

(t) Service performed in the employ of a day camp whose camping season does not exceed twelve weeks in any calendar year, and which service is not subject to the "Federal Unemployment Tax Act," 53 Stat. 183 (1939), 26 U.S.C.A. 3301 to 3311. Service performed after December 31, 1971:

(i) In the employ of a hospital, if the service is performed by a patient of the hospital, as defined in division (W) of this section;

(ii) For a prison or other correctional institution by an inmate of the prison or correctional institution;

(iii) Service performed after December 31, 1977, by an inmate of a custodial institution operated by the state, a political subdivision, or a nonprofit organization.

(u) Service that is performed by a nonresident alien individual for the period the individual temporarily is present in the United States as a nonimmigrant under division (F), (J), (M), or (Q) of section 101(a)(15) of the "Immigration and Nationality Act," 66 Stat. 163, 8 U.S.C.A. 1101, as amended, that is excluded under section 3306(c)(19) of the "Federal Unemployment Tax Act," 53 Stat. 183 (1939), 26 U.S.C.A. 3301 to 3311.

(v) Notwithstanding any other provisions of division (B)(3) of this section, services that are excluded under divisions (B)(3)(g), (j), (k), and (l) of this section shall not be excluded from employment when performed for a

nonprofit organization, as defined in division (X) of this section, or for this state or its instrumentalities, or for a political subdivision or its instrumentalities or for Indian tribes;

(w) Service that is performed by an individual working as an election official or election worker if the amount of remuneration received by the individual during the calendar year for services as an election official or election worker is less than one thousand dollars;

(x) Service performed for an elementary or secondary school that is operated primarily for religious purposes, that is described in subsection 501(c)(3) and exempt from federal income taxation under subsection 501(a) of the Internal Revenue Code, 26 U.S.C.A. 501;

(y) Service performed by a person committed to a penal institution.

(z) Service performed for an Indian tribe as described in division (B)(2)(l) of this section when performed in any of the following manners:

(i) As a publicly elected official;

(ii) As a member of an Indian tribal council;

(iii) As a member of a legislative or judiciary body;

(iv) In a position which, pursuant to Indian tribal law, is designated as a major nontenured policymaking or advisory position, or a policymaking or advisory position where the performance of the duties ordinarily does not require more than eight hours of time per week;

(v) As an employee serving on a temporary basis in the case of a fire, storm, snow, earthquake, flood, or similar emergency.

(aa) Service performed after December 31, 1971, for a nonprofit organization, this state or its instrumentalities, a political subdivision or its instrumentalities, or an Indian tribe as part of an unemployment work-relief or work-training program assisted or financed in whole or in part by any federal agency or an agency of a state or political subdivision, thereof, by an individual receiving the work-relief or work-training.

(4) If the services performed during one half or more of any pay period by an employee for the person employing that employee constitute employment, all the services of such employee for such period shall be deemed to be employment; but if the services performed during more than one half of any such pay period by an employee for the person employing that employee do not constitute employment, then none of the services of such employee for such period shall be deemed to be employment. As used in division (B)(4) of this section, "pay period" means a period, of not more than thirty-one consecutive days, for which payment of remuneration is ordinarily made to the employee by the person employing that employee. Division (B)(4) of this section does not apply to services performed in a pay period by an employee for the person employing that employee, if any of such service is excepted by division

(B)(3)(o) of this section.

(C) "Benefits" means money payments payable to an individual who has established benefit rights, as provided in this chapter, for loss of remuneration due to the individual's unemployment.

(D) "Benefit rights" means the weekly benefit amount and the maximum benefit amount that may become payable to an individual within the individual's benefit year as determined by the director.

(E) "Claim for benefits" means a claim for waiting period or benefits for a designated week.

(F) "Additional claim" means the first claim for benefits filed following any separation from employment during a benefit year; "continued claim" means any claim other than the first claim for benefits and other than an additional claim.

(G)(1) "Wages" means remuneration paid to an employee by each of the employee's employers with respect to employment; except that wages shall not include that part of remuneration paid during any calendar year to an individual by an employer or such employer's predecessor in interest in the same business or enterprise, which in any calendar year is in excess of eight thousand two hundred fifty dollars on and after January 1, 1992; eight thousand five hundred dollars on and after January 1, 1993; eight thousand seven hundred fifty dollars on and after January 1, 1994; and nine thousand dollars on and after January 1, 1995. Remuneration in excess of such amounts shall be deemed wages subject to contribution to the same extent that such remuneration is defined as wages under the "Federal Unemployment Tax Act," 84 Stat. 714 (1970), 26 U.S.C.A. 3301 to 3311, as amended. The remuneration paid an employee by an employer with respect to employment in another state, upon which contributions were required and paid by such employer under the unemployment compensation act of such other state, shall be included as a part of remuneration in computing the amount specified in this division.

(2) Notwithstanding division (G)(1) of this section, if, as of the computation date for any calendar year, the director determines that the level of the unemployment compensation fund is sixty per cent or more below the minimum safe level as defined in section 4141.25 of the Revised Code, then, effective the first day of January of the following calendar year, wages subject to this chapter shall not include that part of remuneration paid during any calendar year to an individual by an employer or such employer's predecessor in interest in the same business or enterprise which is in excess of nine thousand dollars. The increase in the dollar amount of wages subject to this chapter under this division shall remain in effect from the date of the director's determination pursuant to division (G)(2) of this section and thereafter notwithstanding the fact that the level in the fund may subsequently become less than sixty per cent below the minimum safe level.

(H)(1) "Remuneration" means all compensation for personal services,

including commissions and bonuses and the cash value of all compensation in any medium other than cash, except that in the case of agricultural or domestic service, "remuneration" includes only cash remuneration. Gratuities customarily received by an individual in the course of the individual's employment from persons other than the individual's employer and which are accounted for by such individual to the individual's employer are taxable wages.

The reasonable cash value of compensation paid in any medium other than cash shall be estimated and determined in accordance with rules prescribed by the director, provided that "remuneration" does not include:

(a) Payments as provided in divisions (b)(2) to (b)(16) of section 3306 of the "Federal Unemployment Tax Act," 84 Stat. 713, 26 U.S.C.A. 3301 to 3311, as amended;

(b) The payment by an employer, without deduction from the remuneration of the individual in the employer's employ, of the tax imposed upon an individual in the employer's employ under section 3101 of the "Internal Revenue Code of 1954," with respect to services performed after October 1, 1941.

(2) "Cash remuneration" means all remuneration paid in cash, including commissions and bonuses, but not including the cash value of all compensation in any medium other than cash.

(I) "Interested party" means the director and any party to whom notice of a determination of an application for benefit rights or a claim for benefits is required to be given under section 4141.28 of the Revised Code.

(J) "Annual payroll" means the total amount of wages subject to contributions during a twelve-month period ending with the last day of the second calendar quarter of any calendar year.

(K) "Average annual payroll" means the average of the last three annual payrolls of an employer, provided that if, as of any computation date, the employer has had less than three annual payrolls in such three-year period, such average shall be based on the annual payrolls which the employer has had as of such date.

(L)(1) "Contributions" means the money payments to the state unemployment compensation fund required of employers by section 4141.25 of the Revised Code and of the state and any of its political subdivisions electing to pay contributions under section 4141.242 of the Revised Code. Employers paying contributions shall be described as "contributory employers."

(2) "Payments in lieu of contributions" means the money payments to the state unemployment compensation fund required of reimbursing employers under sections 4141.241 and 4141.242 of the Revised Code.

(M) An individual is "totally unemployed" in any week during which the individual performs no services and with respect to such week no remuneration

is payable to the individual.

(N) An individual is "partially unemployed" in any week if, due to involuntary loss of work, the total remuneration payable to the individual for such week is less than the individual's weekly benefit amount.

(O) "Week" means the calendar week ending at midnight Saturday unless an equivalent week of seven consecutive calendar days is prescribed by the director.

(1) "Qualifying week" means any calendar week in an individual's base period with respect to which the individual earns or is paid remuneration in employment subject to this chapter. A calendar week with respect to which an individual earns remuneration but for which payment was not made within the base period, when necessary to qualify for benefit rights, may be considered to be a qualifying week. The number of qualifying weeks which may be established in a calendar quarter shall not exceed the number of calendar weeks in the quarter.

(2) "Average weekly wage" means the amount obtained by dividing an individual's total remuneration for all qualifying weeks during the base period by the number of such qualifying weeks, provided that if the computation results in an amount that is not a multiple of one dollar, such amount shall be rounded to the next lower multiple of one dollar.

(P) "Weekly benefit amount" means the amount of benefits an individual would be entitled to receive for one week of total unemployment.

(Q)(1) "Base period" means the first four of the last five completed calendar quarters immediately preceding the first day of an individual's benefit year, except as provided in division (Q)(2) of this section.

(2) If an individual does not have sufficient qualifying weeks and wages in the base period to qualify for benefit rights, the individual's base period shall be the four most recently completed calendar quarters preceding the first day of the individual's benefit year. Such base period shall be known as the "alternate base period." If information as to weeks and wages for the most recent quarter of the alternate base period is not available to the director from the regular quarterly reports of wage information, which are systematically accessible, the director may, consistent with the provisions of section 4141.28 of the Revised Code, base the determination of eligibility for benefits on the affidavit of the claimant with respect to weeks and wages for that calendar quarter. The claimant shall furnish payroll documentation, where available, in support of the affidavit. The determination based upon the alternate base period as it relates to the claimant's benefit rights, shall be amended when the quarterly report of wage information from the employer is timely received and that information causes a change in the determination. As provided in division (B) of section 4141.28 of the Revised Code, any benefits paid and charged to an employer's account, based upon a claimant's affidavit, shall be adjusted effective as of the beginning of the claimant's benefit year. No calendar quarter in a base period or alternate base

period shall be used to establish a subsequent benefit year.

(3) The "base period" of a combined wage claim, as described in division (H) of section 4141.43 of the Revised Code, shall be the base period prescribed by the law of the state in which the claim is allowed.

(4) For purposes of determining the weeks that comprise a completed calendar quarter under this division, only those weeks ending at midnight Saturday within the calendar quarter shall be utilized.

(R)(1) "Benefit year" with respect to an individual means the fifty-two week period beginning with the first day of that week with respect to which the individual first files a valid application for determination of benefit rights, and thereafter the fifty-two week period beginning with the first day of that week with respect to which the individual next files a valid application for determination of benefit rights after the termination of the individual's last preceding benefit year, except that the application shall not be considered valid unless the individual has had employment in six weeks that is subject to this chapter or the unemployment compensation act of another state, or the United States, and has, since the beginning of the individual's previous benefit year, in the employment earned three times the average weekly wage determined for the previous benefit year. The "benefit year" of a combined wage claim, as described in division (H) of section 4141.43 of the Revised Code, shall be the benefit year prescribed by the law of the state in which the claim is allowed. Any application for determination of benefit rights made in accordance with section 4141.28 of the Revised Code is valid if the individual filing such application is unemployed, has been employed by an employer or employers subject to this chapter in at least twenty qualifying weeks within the individual's base period, and has earned or been paid remuneration at an average weekly wage of not less than twenty-seven and one-half per cent of the statewide average weekly wage for such weeks. For purposes of determining whether an individual has had sufficient employment since the beginning of the individual's previous benefit year to file a valid application, "employment" means the performance of services for which remuneration is payable.

(2) Effective for benefit years beginning on and after December 26, 2004, any application for determination of benefit rights made in accordance with section 4141.28 of the Revised Code is valid if the individual satisfies the criteria described in division (R)(1) of this section, and if the reason for the individual's separation from employment is not disqualifying pursuant to division (D)(2) of section 4141.29 or section 4141.291 of the Revised Code. A disqualification imposed pursuant to division (D)(2) of section 4141.29 or section 4141.291 of the Revised Code must be removed as provided in those sections as a requirement of establishing a valid application for benefit years beginning on and after December 26, 2004.

(3) The statewide average weekly wage shall be calculated by the director once a year based on the twelve-month period ending the thirtieth day of June, as set forth in division (B)(3) of section 4141.30 of the Revised Code, rounded

down to the nearest dollar. Increases or decreases in the amount of remuneration required to have been earned or paid in order for individuals to have filed valid applications shall become effective on Sunday of the calendar week in which the first day of January occurs that follows the twelve-month period ending the thirtieth day of June upon which the calculation of the statewide average weekly wage was based.

(4) As used in this division, an individual is "unemployed" if, with respect to the calendar week in which such application is filed, the individual is "partially unemployed" or "totally unemployed" as defined in this section or if, prior to filing the application, the individual was separated from the individual's most recent work for any reason which terminated the individual's employee-employer relationship, or was laid off indefinitely or for a definite period of seven or more days.

(S) "Calendar quarter" means the period of three consecutive calendar months ending on the thirty-first day of March, the thirtieth day of June, the thirtieth day of September, and the thirty-first day of December, or the equivalent thereof as the director prescribes by rule.

(T) "Computation date" means the first day of the third calendar quarter of any calendar year.

(U) "Contribution period" means the calendar year beginning on the first day of January of any year.

(V) "Agricultural labor," for the purpose of this division, means any service performed prior to January 1, 1972, which was agricultural labor as defined in this division prior to that date, and service performed after December 31, 1971:

(1) On a farm, in the employ of any person, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and fur-bearing animals and wildlife;

(2) In the employ of the owner or tenant or other operator of a farm in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by hurricane, if the major part of such service is performed on a farm;

(3) In connection with the production or harvesting of any commodity defined as an agricultural commodity in section 15 (g) of the "Agricultural Marketing Act," 46 Stat. 1550 (1931), 12 U.S.C. 1141j, as amended, or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways, not owned or operated for profit, used exclusively for supplying and storing water for farming purposes;

(4) In the employ of the operator of a farm in handling, planting, drying,

packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, in its unmanufactured state, any agricultural or horticultural commodity, but only if the operator produced more than one half of the commodity with respect to which such service is performed;

(5) In the employ of a group of operators of farms, or a cooperative organization of which the operators are members, in the performance of service described in division (V)(4) of this section, but only if the operators produced more than one-half of the commodity with respect to which the service is performed;

(6) Divisions (V)(4) and (5) of this section shall not be deemed to be applicable with respect to service performed:

(a) In connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption; or

(b) On a farm operated for profit if the service is not in the course of the employer's trade or business.

As used in division (V) of this section, "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses, or other similar structures used primarily for the raising of agricultural or horticultural commodities and orchards.

(W) "Hospital" means an institution which has been registered or licensed by the Ohio department of health as a hospital.

(X) "Nonprofit organization" means an organization, or group of organizations, described in section 501(c)(3) of the "Internal Revenue Code of 1954," and exempt from income tax under section 501(a) of that code.

(Y) "Institution of higher education" means a public or nonprofit educational institution, including an educational institution operated by an Indian tribe, which:

(1) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent;

(2) Is legally authorized in this state or by the Indian tribe to provide a program of education beyond high school; and

(3) Provides an educational program for which it awards a bachelor's or higher degree, or provides a program which is acceptable for full credit toward such a degree, a program of post-graduate or post-doctoral studies, or a program of training to prepare students for gainful employment in a recognized occupation.

For the purposes of this division, all colleges and universities in this state are institutions of higher education.

(Z) For the purposes of this chapter, "states" includes the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands.

(AA) "Alien" means, for the purposes of division (A)(1)(d) of this section, an individual who is an alien admitted to the United States to perform service in agricultural labor pursuant to sections 214 (c) and 101 (a)(15)(H) of the "Immigration and Nationality Act," 66 Stat. 163, 8 U.S.C.A. 1101.

(BB)(1) "Crew leader" means an individual who furnishes individuals to perform agricultural labor for any other employer or farm operator, and:

(a) Pays, either on the individual's own behalf or on behalf of the other employer or farm operator, the individuals so furnished by the individual for the service in agricultural labor performed by them;

(b) Has not entered into a written agreement with the other employer or farm operator under which the agricultural worker is designated as in the employ of the other employer or farm operator.

(2) For the purposes of this chapter, any individual who is a member of a crew furnished by a crew leader to perform service in agricultural labor for any other employer or farm operator shall be treated as an employee of the crew leader if:

(a) The crew leader holds a valid certificate of registration under the "Farm Labor Contractor Registration Act of 1963," 90 Stat. 2668, 7 U.S.C. 2041; or

(b) Substantially all the members of the crew operate or maintain tractors, mechanized harvesting or crop-dusting equipment, or any other mechanized equipment, which is provided by the crew leader; and

(c) If the individual is not in the employment of the other employer or farm operator within the meaning of division (B)(1) of this section.

(3) For the purposes of this division, any individual who is furnished by a crew leader to perform service in agricultural labor for any other employer or farm operator and who is not treated as in the employment of the crew leader under division (BB)(2) of this section shall be treated as the employee of the other employer or farm operator and not of the crew leader. The other employer or farm operator shall be treated as having paid cash remuneration to the individual in an amount equal to the amount of cash remuneration paid to the individual by the crew leader, either on the crew leader's own behalf or on behalf of the other employer or farm operator, for the service in agricultural labor performed for the other employer or farm operator.

(CC) "Educational institution" means an institution other than an institution of higher education as defined in division (Y) of this section, including an educational institution operated by an Indian tribe, which:

(1) Offers participants, trainees, or students an organized course of study or training designed to transfer to them knowledge, skills, information, doctrines,

attitudes, or abilities from, by, or under the guidance of an instructor or teacher; and

(2) Is approved, chartered, or issued a permit to operate as a school by the state board of education , other government agency, or Indian tribe that is authorized within the state to approve, charter, or issue a permit for the operation of a school.

For the purposes of this division, the courses of study or training which the institution offers may be academic, technical, trade, or preparation for gainful employment in a recognized occupation.

(DD) "Cost savings day" means any unpaid day off from work in which employees continue to accrue employee benefits which have a determinable value including, but not limited to, vacation, pension contribution, sick time, and life and health insurance."

Between lines 61802 and 61803, insert:

"**Sec. 4141.31.** (A) Benefits otherwise payable for any week shall be reduced by the amount of remuneration or other payments a claimant receives with respect to such week as follows:

(1) Remuneration in lieu of notice;

(2) Compensation for wage loss under division (B) of section 4123.56 of the Revised Code or a similar provision under the workers' compensation law of any state or the United States;

(3) Payments in the form of retirement, or pension allowances as provided under section 4141.312 of the Revised Code;

(4) Except as otherwise provided in division (D) of this section, remuneration in the form of separation or termination pay paid to an employee at the time of the employee's separation from employment;

(5) Vacation pay or allowance payable under the law, terms of a labor-management contract or agreement, or other contract of hire, which payments are allocated to designated weeks ;

(6) The determinable value of cost savings days.

If payments under this division are paid with respect to a month then the amount of remuneration deemed to be received with respect to any week during such month shall be computed by multiplying such monthly amount by twelve and dividing the product by fifty-two. If there is no designation of the period with respect to which payments to an individual are made under this section then an amount equal to such individual's normal weekly wage shall be attributed to and deemed paid with respect to the first and each succeeding week following the individual's separation or termination from the employment of the employer making the payment until such amount so paid is exhausted.

If benefits for any week, when reduced as provided in this division, result

in an amount not a multiple of one dollar, such benefits shall be rounded to the next lower multiple of one dollar.

Any payment allocated by the employer or the director of job and family services to weeks under division (A)(1), (4), or (5) of this section shall be deemed to be remuneration for the purposes of establishing a qualifying week and a benefit year under divisions (O)(1) and (R) of section 4141.01 of the Revised Code.

(B) Benefits payable for any week shall not be reduced by the amount of remuneration a claimant receives with respect to such week in the form of drill or reserve pay received by a member of the Ohio national guard or the armed forces reserve for attendance at a regularly scheduled drill or meeting.

(C) No benefits shall be paid for any week with respect to which or a part of which an individual has received or is seeking unemployment benefits under an unemployment compensation law of any other state or of the United States, provided the disqualifications shall not apply if the appropriate agency of such other state or of the United States finally determines that an individual is not entitled to such unemployment benefits. A law of the United States providing any payment of any type and in any amounts for periods of unemployment due to lack of work shall be considered an unemployment compensation law of the United States.

(D) Benefits payable for any week shall not be reduced by the amount of military severance, disability, or separation pay paid to an individual who is a former member of the armed forces of the United States.

(E) Remuneration for personal services includes cost savings days, as defined in division (DD) of section 4141.01 of the Revised Code, for which employees continue to accrue employee benefits that have a determinable value. Any unemployment compensation benefits that may be payable as a result of cost savings days shall be reduced as provided in division (A)(6) of this section."

In line 90878, after "4117.24," insert "4141.01,"; after "4141.162," insert "4141.31,"

In line 106544, after "4117.24," insert "4141.01, 4141.31,"

In line 114 of the title, after "4117.24," insert "4141.01,"; after "4141.162," insert "4141.31,"

In line 297, after "121.07," insert "121.08, 121.083, 121.084,"

In line 301, after "124.07," insert "124.11,"

In line 341, after "3301.42," insert "3301.55,"

In line 359, after "3702.94," insert "3703.01, 3703.03, 3703.04, 3703.05, 3703.06, 3703.07, 3703.08, 3703.10, 3703.21, 3703.99,"

In line 360, after "3712.03," insert "3713.01, 3713.02, 3713.03, 3713.04, 3713.05, 3713.06, 3713.07, 3713.08, 3713.09, 3713.10,"

In line 366, after "3721.02," insert "3721.071,"

In line 367, after "3722.04," insert "3722.041,"

In line 370, after "3737.71," insert "3743.04, 3743.25,"

In line 372, after "3781.01," insert "3781.03,"; after "3781.10," insert "3781.102, 3781.11,"; after "3781.19," insert "3783.05, 3791.02, 3791.04, 3791.05, 3791.07,"

In line 374, after "3953.231," insert "4104.01, 4104.02, 4104.06,"

In line 375, after "4104.07," insert "4104.08, 4104.09, 4104.10,"; after "4104.101," insert "4104.12, 4104.15, 4104.16, 4104.17,"; after "4104.18," insert "4104.19, 4104.21, 4104.33, 4104.42, 4104.43, 4104.44, 4104.48, 4105.01, 4105.02, 4105.03, 4105.04, 4105.05, 4105.06, 4105.09, 4105.11, 4105.12, 4105.13, 4105.15, 4105.16,"; after "4105.17," insert "4105.191, 4105.20, 4105.21,"

In line 376, after "4141.162," insert "4169.02, 4169.03, 4169.04, 4171.04,"

In line 390, after "4736.01," insert "4740.03, 4740.11"

In line 399, after "5104.041," insert "5104.051,"

In line 5403, strike through "and worker safety"

Strike through line 5405

Between lines 5472 and 5473, insert:

Sec. 121.08. (A) There is hereby created in the department of commerce the position of deputy director of administration. This officer shall be appointed by the director of commerce, serve under the director's direction, supervision, and control, perform the duties the director prescribes, and hold office during the director's pleasure. The director of commerce may designate an assistant director of commerce to serve as the deputy director of administration. The deputy director of administration shall perform the duties prescribed by the director of commerce in supervising the activities of the division of administration of the department of commerce.

(B) Except as provided in section 121.07 of the Revised Code, the department of commerce shall have all powers and perform all duties vested in the deputy director of administration, the state fire marshal, the superintendent of financial institutions, the superintendent of real estate and professional licensing, the superintendent of liquor control, ~~the superintendent of industrial compliance,~~ the superintendent of labor ~~and worker safety~~, the superintendent of unclaimed funds, and the commissioner of securities, and shall have all powers and perform all duties vested by law in all officers, deputies, and employees of those offices. Except as provided in section 121.07 of the Revised Code, wherever powers are conferred or duties imposed upon any of those officers, the powers and duties shall be construed as vested in the department of commerce.

(C)(1) There is hereby created in the department of commerce a division of financial institutions, which shall have all powers and perform all duties vested by law in the superintendent of financial institutions. Wherever powers are conferred or duties imposed upon the superintendent of financial institutions, those powers and duties shall be construed as vested in the division of financial institutions. The division of financial institutions shall be administered by the superintendent of financial institutions.

(2) All provisions of law governing the superintendent of financial institutions shall apply to and govern the superintendent of financial institutions provided for in this section; all authority vested by law in the superintendent of financial institutions with respect to the management of the division of financial institutions shall be construed as vested in the superintendent of financial institutions created by this section with respect to the division of financial institutions provided for in this section; and all rights, privileges, and emoluments conferred by law upon the superintendent of financial institutions shall be construed as conferred upon the superintendent of financial institutions as head of the division of financial institutions. The director of commerce shall not transfer from the division of financial institutions any of the functions specified in division (C)(2) of this section.

(D) There is hereby created in the department of commerce a division of liquor control, which shall have all powers and perform all duties vested by law in the superintendent of liquor control. Wherever powers are conferred or duties are imposed upon the superintendent of liquor control, those powers and duties shall be construed as vested in the division of liquor control. The division of liquor control shall be administered by the superintendent of liquor control.

(E) The director of commerce shall not be interested, directly or indirectly, in any firm or corporation which is a dealer in securities as defined in sections 1707.01 and 1707.14 of the Revised Code, or in any firm or corporation licensed under sections 1321.01 to 1321.19 of the Revised Code.

(F) The director of commerce shall not have any official connection with a savings and loan association, a savings bank, a bank, a bank holding company, a savings and loan association holding company, a consumer finance company, or a credit union that is under the supervision of the division of financial institutions, or a subsidiary of any of the preceding entities, or be interested in the business thereof.

(G) There is hereby created in the state treasury the division of administration fund. The fund shall receive assessments on the operating funds of the department of commerce in accordance with procedures prescribed by the director of commerce and approved by the director of budget and management. All operating expenses of the division of administration shall be paid from the division of administration fund.

(H) There is hereby created in the department of commerce a division of real estate and professional licensing, which shall be under the control and

supervision of the director of commerce. The division of real estate and professional licensing shall be administered by the superintendent of real estate and professional licensing. The superintendent of real estate and professional licensing shall exercise the powers and perform the functions and duties delegated to the superintendent under Chapters 4735., 4763., and 4767. of the Revised Code.

(I) There is hereby created in the department of commerce a division of labor ~~and worker safety~~, which shall have all powers and perform all duties vested by law in the superintendent of labor ~~and worker safety~~. Wherever powers are conferred or duties imposed upon the superintendent of labor ~~and worker safety~~, those powers and duties shall be construed as vested in the division of labor ~~and worker safety~~. The division of labor ~~and worker safety~~ shall be under the control and supervision of the director of commerce and be administered by the superintendent of labor ~~and worker safety~~. ~~The superintendent of labor and worker safety shall exercise the powers and perform the duties delegated to the superintendent by the director under Chapters 4109., 4111., and 4115. of the Revised Code.~~

(J) There is hereby created in the department of commerce a division of unclaimed funds, which shall have all powers and perform all duties delegated to or vested by law in the superintendent of unclaimed funds. Wherever powers are conferred or duties imposed upon the superintendent of unclaimed funds, those powers and duties shall be construed as vested in the division of unclaimed funds. The division of unclaimed funds shall be under the control and supervision of the director of commerce and shall be administered by the superintendent of unclaimed funds. The superintendent of unclaimed funds shall exercise the powers and perform the functions and duties delegated to the superintendent by the director of commerce under section 121.07 and Chapter 169. of the Revised Code, and as may otherwise be provided by law.

(K) The department of commerce or a division of the department created by the Revised Code that is acting with authorization on the department's behalf may request from the bureau of criminal identification and investigation pursuant to section 109.572 of the Revised Code, or coordinate with appropriate federal, state, and local government agencies to accomplish, criminal records checks for the persons whose identities are required to be disclosed by an applicant for the issuance or transfer of a permit, license, certificate of registration, or certification issued or transferred by the department or division. At or before the time of making a request for a criminal records check, the department or division may require any person whose identity is required to be disclosed by an applicant for the issuance or transfer of such a license, permit, certificate of registration, or certification to submit to the department or division valid fingerprint impressions in a format and by any media or means acceptable to the bureau of criminal identification and investigation and, when applicable, the federal bureau of investigation. The department or division may cause the bureau of criminal identification and investigation to conduct a criminal records check through the federal bureau of investigation only if the person for whom

the criminal records check would be conducted resides or works outside of this state or has resided or worked outside of this state during the preceding five years, or if a criminal records check conducted by the bureau of criminal identification and investigation within this state indicates that the person may have a criminal record outside of this state.

In the case of a criminal records check under section 109.572 of the Revised Code, the department or division shall forward to the bureau of criminal identification and investigation the requisite form, fingerprint impressions, and fee described in division (C) of that section. When requested by the department or division in accordance with this section, the bureau of criminal identification and investigation shall request from the federal bureau of investigation any information it has with respect to the person who is the subject of the requested criminal records check and shall forward the requisite fingerprint impressions and information to the federal bureau of investigation for that criminal records check. After conducting a criminal records check or receiving the results of a criminal records check from the federal bureau of investigation, the bureau of criminal identification and investigation shall provide the results to the department or division.

The department or division may require any person about whom a criminal records check is requested to pay to the department or division the amount necessary to cover the fee charged to the department or division by the bureau of criminal identification and investigation under division (C)(3) of section 109.572 of the Revised Code, including, when applicable, any fee for a criminal records check conducted by the federal bureau of investigation.

Sec. 121.083. The superintendent of ~~the division of industrial compliance~~ labor in the department of commerce shall do all of the following:

(A) Administer and enforce the general laws of this state pertaining to buildings, pressure piping, boilers, bedding, upholstered furniture, and stuffed toys, steam engineering, elevators, plumbing, licensed occupations regulated by the department, and travel agents, as they apply to plans review, inspection, code enforcement, testing, licensing, registration, and certification.

(B) Exercise the powers and perform the duties delegated to the superintendent by the director of commerce under Chapters 4109., 4111., and 4115. of the Revised Code.

(C) Collect and collate statistics as are necessary.

~~(C)~~ (D) Examine and license persons who desire to act as steam engineers, to operate steam boilers, and to act as inspectors of steam boilers, provide for the scope, conduct, and time of such examinations, provide for, regulate, and enforce the renewal and revocation of such licenses, inspect and examine steam boilers and make, publish, and enforce rules and orders for the construction, installation, inspection, and operation of steam boilers, and do, require, and enforce all things necessary to make such examination, inspection, and requirement efficient.

~~(D)~~ (E) Rent and furnish offices as needed in cities in this state for the conduct of its affairs.

~~(E)~~ (F) Oversee a chief of construction and compliance, a chief of operations and maintenance, a chief of licensing and certification, a chief of worker protection, and other designees appointed by the director ~~of commerce~~ to perform the duties described in this section.

~~(F)~~ (G) Enforce the rules the board of building standards adopts pursuant to division (A)(2) of section 4104.43 of the Revised Code under the circumstances described in division (D) of that section.

~~(G)~~ (H) Accept submissions, establish a fee for submissions, and review submissions of certified welding and brazing procedure specifications, procedure qualification records, and performance qualification records for building services piping as required by section 4104.44 of the Revised Code.

Sec. 121.084. (A) All moneys collected under sections 3783.05, 3791.07, 4104.07, 4104.18, 4104.44, 4105.17, 4105.20, 4169.03, 4171.04, and 5104.051 of the Revised Code, and any other moneys collected by the division of ~~industrial compliance~~ labor shall be paid into the state treasury to the credit of the ~~industrial compliance~~ labor operating fund, which is hereby created. The department of commerce shall use the moneys in the fund for paying the operating expenses of the division and the administrative assessment described in division (B) of this section.

(B) The director of commerce, with the approval of the director of budget and management, shall prescribe procedures for assessing the ~~industrial compliance~~ labor operating fund a proportionate share of the administrative costs of the department of commerce. The assessment shall be made in accordance with those procedures and be paid from the ~~industrial compliance~~ labor operating fund to the division of administration fund created in section 121.08 of the Revised Code."

Between lines 9114 and 9115, insert:

"**Sec. 124.11.** The civil service of the state and the several counties, cities, civil service townships, city health districts, general health districts, and city school districts of the state shall be divided into the unclassified service and the classified service.

(A) The unclassified service shall comprise the following positions, which shall not be included in the classified service, and which shall be exempt from all examinations required by this chapter:

(1) All officers elected by popular vote or persons appointed to fill vacancies in those offices;

(2) All election officers as defined in section 3501.01 of the Revised Code;

(3)(a) The members of all boards and commissions, and heads of

principal departments, boards, and commissions appointed by the governor or by and with the governor's consent;

(b) The heads of all departments appointed by a board of county commissioners;

(c) The members of all boards and commissions and all heads of departments appointed by the mayor, or, if there is no mayor, such other similar chief appointing authority of any city or city school district;

Except as otherwise provided in division (A)(17) or (C) of this section, this chapter does not exempt the chiefs of police departments and chiefs of fire departments of cities or civil service townships from the competitive classified service.

(4) The members of county or district licensing boards or commissions and boards of revision, and not more than five deputy county auditors;

(5) All officers and employees elected or appointed by either or both branches of the general assembly, and employees of the city legislative authority engaged in legislative duties;

(6) All commissioned, warrant, and noncommissioned officers and enlisted persons in the Ohio organized militia, including military appointees in the adjutant general's department;

(7)(a) All presidents, business managers, administrative officers, superintendents, assistant superintendents, principals, deans, assistant deans, instructors, teachers, and such employees as are engaged in educational or research duties connected with the public school system, colleges, and universities, as determined by the governing body of the public school system, colleges, and universities;

(b) The library staff of any library in the state supported wholly or in part at public expense.

(8) Four clerical and administrative support employees for each of the elective state officers, four clerical and administrative support employees for each board of county commissioners and one such employee for each county commissioner, and four clerical and administrative support employees for other elective officers and each of the principal appointive executive officers, boards, or commissions, except for civil service commissions, that are authorized to appoint such clerical and administrative support employees;

(9) The deputies and assistants of state agencies authorized to act for and on behalf of the agency, or holding a fiduciary or administrative relation to that agency and those persons employed by and directly responsible to elected county officials or a county administrator and holding a fiduciary or administrative relationship to such elected county officials or county administrator, and the employees of such county officials whose fitness would be impracticable to determine by competitive examination, provided that division (A)(9) of this

section shall not affect those persons in county employment in the classified service as of September 19, 1961. Nothing in division (A)(9) of this section applies to any position in a county department of job and family services created pursuant to Chapter 329. of the Revised Code.

(10) Bailiffs, constables, official stenographers, and commissioners of courts of record, deputies of clerks of the courts of common pleas who supervise or who handle public moneys or secured documents, and such officers and employees of courts of record and such deputies of clerks of the courts of common pleas as the director of administrative services finds it impracticable to determine their fitness by competitive examination;

(11) Assistants to the attorney general, special counsel appointed or employed by the attorney general, assistants to county prosecuting attorneys, and assistants to city directors of law;

(12) Such teachers and employees in the agricultural experiment stations; such students in normal schools, colleges, and universities of the state who are employed by the state or a political subdivision of the state in student or intern classifications; and such unskilled labor positions as the director of administrative services or any municipal civil service commission may find it impracticable to include in the competitive classified service; provided such exemptions shall be by order of the commission or the director, duly entered on the record of the commission or the director with the reasons for each such exemption;

(13) Any physician or dentist who is a full-time employee of the department of mental health, the department of mental retardation and developmental disabilities, or an institution under the jurisdiction of either department; and physicians who are in residency programs at the institutions;

(14) Up to twenty positions at each institution under the jurisdiction of the department of mental health or the department of mental retardation and developmental disabilities that the department director determines to be primarily administrative or managerial; and up to fifteen positions in any division of either department, excluding administrative assistants to the director and division chiefs, which are within the immediate staff of a division chief and which the director determines to be primarily and distinctively administrative and managerial;

(15) Noncitizens of the United States employed by the state, or its counties or cities, as physicians or nurses who are duly licensed to practice their respective professions under the laws of this state, or medical assistants, in mental or chronic disease hospitals, or institutions;

(16) Employees of the governor's office;

(17) Fire chiefs and chiefs of police in civil service townships appointed by boards of township trustees under section 505.38 or 505.49 of the Revised Code;

(18) Executive directors, deputy directors, and program directors employed by boards of alcohol, drug addiction, and mental health services under Chapter 340. of the Revised Code, and secretaries of the executive directors, deputy directors, and program directors;

(19) Superintendents, and management employees as defined in section 5126.20 of the Revised Code, of county boards of mental retardation and developmental disabilities;

(20) Physicians, nurses, and other employees of a county hospital who are appointed pursuant to sections 339.03 and 339.06 of the Revised Code;

(21) The executive director of the state medical board, who is appointed pursuant to division (B) of section 4731.05 of the Revised Code;

(22) County directors of job and family services as provided in section 329.02 of the Revised Code and administrators appointed under section 329.021 of the Revised Code;

(23) A director of economic development who is hired pursuant to division (A) of section 307.07 of the Revised Code;

(24) Chiefs of construction and compliance, of operations and maintenance, of worker protection, and of licensing and certification in the division of ~~industrial compliance~~ labor in the department of commerce;

(25) The executive director of a county transit system appointed under division (A) of section 306.04 of the Revised Code;

(26) Up to five positions at each of the administrative departments listed in section 121.02 of the Revised Code and at the department of taxation, department of the adjutant general, department of education, Ohio board of regents, bureau of workers' compensation, industrial commission, state lottery commission, and public utilities commission of Ohio that the head of that administrative department or of that other state agency determines to be involved in policy development and implementation. The head of the administrative department or other state agency shall set the compensation for employees in these positions at a rate that is not less than the minimum compensation specified in pay range 41 but not more than the maximum compensation specified in pay range 44 of salary schedule E-2 in section 124.152 of the Revised Code. The authority to establish positions in the unclassified service under division (A)(26) of this section is in addition to and does not limit any other authority that an administrative department or state agency has under the Revised Code to establish positions, appoint employees, or set compensation.

(27) Employees of the department of agriculture employed under section 901.09 of the Revised Code;

(28) For cities, counties, civil service townships, city health districts, general health districts, and city school districts, the deputies and assistants of elective or principal executive officers authorized to act for and in the place of

their principals or holding a fiduciary relation to their principals;

(29) Employees who receive intermittent or temporary appointments under division (B) of section 124.30 of the Revised Code;

(30) Employees appointed to administrative staff positions for which an appointing authority is given specific statutory authority to set compensation;

(31) Employees appointed to highway patrol cadet or highway patrol cadet candidate classifications;

(32) Employees placed in the unclassified service by another section of the Revised Code.

(B) The classified service shall comprise all persons in the employ of the state and the several counties, cities, city health districts, general health districts, and city school districts of the state, not specifically included in the unclassified service. Upon the creation by the board of trustees of a civil service township civil service commission, the classified service shall also comprise, except as otherwise provided in division (A)(17) or (C) of this section, all persons in the employ of a civil service township police or fire department having ten or more full-time paid employees. The classified service consists of two classes, which shall be designated as the competitive class and the unskilled labor class.

(1) The competitive class shall include all positions and employments in the state and the counties, cities, city health districts, general health districts, and city school districts of the state, and, upon the creation by the board of trustees of a civil service township of a township civil service commission, all positions in a civil service township police or fire department having ten or more full-time paid employees, for which it is practicable to determine the merit and fitness of applicants by competitive examinations. Appointments shall be made to, or employment shall be given in, all positions in the competitive class that are not filled by promotion, reinstatement, transfer, or reduction, as provided in this chapter, and the rules of the director of administrative services, by appointment from those certified to the appointing officer in accordance with this chapter.

(2) The unskilled labor class shall include ordinary unskilled laborers. Vacancies in the labor class for positions in service of the state shall be filled by appointment from lists of applicants registered by the director. Vacancies in the labor class for all other positions shall be filled by appointment from lists of applicants registered by a commission. The director or the commission, as applicable, by rule, shall require an applicant for registration in the labor class to furnish evidence or take tests as the director or commission considers proper with respect to age, residence, physical condition, ability to labor, honesty, sobriety, industry, capacity, and experience in the work or employment for which application is made. Laborers who fulfill the requirements shall be placed on the eligible list for the kind of labor or employment sought, and preference shall be given in employment in accordance with the rating received from that evidence or in those tests. Upon the request of an appointing officer, stating the kind of labor needed, the pay and probable length of employment, and the

number to be employed, the director or commission, as applicable, shall certify from the highest on the list double the number to be employed; from this number, the appointing officer shall appoint the number actually needed for the particular work. If more than one applicant receives the same rating, priority in time of application shall determine the order in which their names shall be certified for appointment.

(C) A municipal or civil service township civil service commission may place volunteer firefighters who are paid on a fee-for-service basis in either the classified or the unclassified civil service.

(D) This division does not apply to persons in the unclassified service who have the right to resume positions in the classified service under sections 4121.121, 5119.071, 5120.38, 5120.381, 5120.382, 5123.08, 5139.02, and 5501.19 of the Revised Code.

An appointing authority whose employees are paid directly by warrant of the director of budget and management may appoint a person who holds a certified position in the classified service within the appointing authority's agency to a position in the unclassified service within that agency. A person appointed pursuant to this division to a position in the unclassified service shall retain the right to resume the position and status held by the person in the classified service immediately prior to the person's appointment to the position in the unclassified service, regardless of the number of positions the person held in the unclassified service. An employee's right to resume a position in the classified service may only be exercised when an appointing authority demotes the employee to a pay range lower than the employee's current pay range or revokes the employee's appointment to the unclassified service. An employee forfeits the right to resume a position in the classified service when the employee is removed from the position in the unclassified service due to incompetence, inefficiency, dishonesty, drunkenness, immoral conduct, insubordination, discourteous treatment of the public, neglect of duty, violation of this chapter or the rules of the director of administrative services, any other failure of good behavior, any other acts of misfeasance, malfeasance, or nonfeasance in office, or conviction of a felony. An employee also forfeits the right to resume a position in the classified service upon transfer to a different agency.

Reinstatement to a position in the classified service shall be to a position substantially equal to that position in the classified service held previously, as certified by the director of administrative services. If the position the person previously held in the classified service has been placed in the unclassified service or is otherwise unavailable, the person shall be appointed to a position in the classified service within the appointing authority's agency that the director of administrative services certifies is comparable in compensation to the position the person previously held in the classified service. Service in the position in the unclassified service shall be counted as service in the position in the classified service held by the person immediately prior to the person's appointment to the position in the unclassified service. When a person is reinstated to a position in

the classified service as provided in this division, the person is entitled to all rights, status, and benefits accruing to the position in the classified service during the person's time of service in the position in the unclassified service."

Between lines 34151 and 34152, insert:

"**Sec. 3301.55.** (A) A school district, county MR/DD board, or eligible nonpublic school operating a preschool program shall house the program in buildings that meet the following requirements:

(1) The building is operated by the district, county MR/DD board, or eligible nonpublic school and has been approved by the division of ~~industrial compliance~~ labor in the department of commerce or a certified municipal, township, or county building department for the purpose of operating a program for preschool children. Any such structure shall be constructed, equipped, repaired, altered, and maintained in accordance with applicable provisions of Chapters 3781. and 3791. and with rules adopted by the board of building standards under Chapter 3781. of the Revised Code for the safety and sanitation of structures erected for this purpose.

(2) The building is in compliance with fire and safety laws and regulations as evidenced by reports of annual school fire and safety inspections as conducted by appropriate local authorities.

(3) The school is in compliance with rules established by the state board of education regarding school food services.

(4) The facility includes not less than thirty-five square feet of indoor space for each child in the program. Safe play space, including both indoor and outdoor play space, totaling not less than sixty square feet for each child using the space at any one time, shall be regularly available and scheduled for use.

(5) First aid facilities and space for temporary placement or isolation of injured or ill children are provided.

(B) Each school district, county MR/DD board, or eligible nonpublic school that operates, or proposes to operate, a preschool program shall submit a building plan including all information specified by the state board of education to the board not later than the first day of September of the school year in which the program is to be initiated. The board shall determine whether the buildings meet the requirements of this section and section 3301.53 of the Revised Code, and notify the superintendent of its determination. If the board determines, on the basis of the building plan or any other information, that the buildings do not meet those requirements, it shall cause the buildings to be inspected by the department of education. The department shall make a report to the superintendent specifying any aspects of the building that are not in compliance with the requirements of this section and section 3301.53 of the Revised Code and the time period that will be allowed the district, county MR/DD board, or school to meet the requirements."

Between lines 49639 and 49640, insert:

"**Sec. 3703.01.** (A) Except as otherwise provided in this section, the division of ~~industrial compliance~~ labor in the department of commerce shall do all of the following:

(1) Inspect all nonresidential buildings within the meaning of section 3781.06 of the Revised Code;

(2) Condemn all unsanitary or defective plumbing that is found in connection with those places;

(3) Order changes in plumbing necessary to insure the safety of the public health.

(B)(1)(a) The division of ~~industrial compliance~~ labor, boards of health of city and general health districts, and county building departments shall not inspect plumbing or collect fees for inspecting plumbing in particular types of buildings in any municipal corporation that is certified by the board of building standards under section 3781.10 of the Revised Code to exercise enforcement authority for plumbing in those types of buildings.

(b) The division shall not inspect plumbing or collect fees for inspecting plumbing in particular types of buildings in any health district that employs one or more plumbing inspectors certified pursuant to division (D) of this section to enforce Chapters 3781. and 3791. of the Revised Code and the rules adopted pursuant to those chapters relating to plumbing in those types of buildings.

(c) The division shall not inspect plumbing or collect fees for inspecting plumbing in particular types of buildings in any health district where the county building department is authorized to inspect those types of buildings pursuant to a contract described in division (C)(1) of this section.

(d) The division shall not inspect plumbing or collect fees for inspecting plumbing in particular types of buildings in any health district where the board of health has entered into a contract with the board of health of another district to conduct inspections pursuant to division (C)(2) of this section.

(2) No county building department shall inspect plumbing or collect fees for inspecting plumbing in any type of building in a health district unless the department is authorized to inspect that type of building pursuant to a contract described in division (C)(1) of this section.

(3) No municipal corporation shall inspect plumbing or collect fees for inspecting plumbing in types of buildings for which it is not certified by the board of building standards under section 3781.10 of the Revised Code to exercise enforcement authority.

(4) No board of health of a health district shall inspect plumbing or collect fees for inspecting plumbing in types of buildings for which it does not have a plumbing inspector certified pursuant to division (D) of this section.

(C)(1) The board of health of a health district may enter into a contract with a board of county commissioners to authorize the county building

department to inspect plumbing in buildings within the health district. The contract may designate that the department inspect either residential or nonresidential buildings, as those terms are defined in section 3781.06 of the Revised Code, or both types of buildings, so long as the department employs or contracts with a plumbing inspector certified pursuant to division (D) of this section to inspect the types of buildings the contract designates. The board of health may enter into a contract regardless of whether the health district employs any certified plumbing inspectors to enforce Chapters 3781. and 3791. of the Revised Code.

(2) The board of health of a health district, regardless of whether it employs any certified plumbing inspectors to enforce Chapters 3781. and 3791. of the Revised Code, may enter into a contract with the board of health of another health district to authorize that board to inspect plumbing in buildings within the contracting board's district. The contract may designate the inspection of either residential or nonresidential buildings as defined in section 3781.06 of the Revised Code, or both types of buildings, so long as the board that performs the inspections employs a plumbing inspector certified pursuant to division (D) of this section to inspect the types of buildings the contract designates.

(D) The superintendent of ~~industrial compliance~~ labor shall adopt rules prescribing minimum qualifications based on education, training, experience, or demonstrated ability, that the superintendent shall use in certifying or recertifying plumbing inspectors to do plumbing inspections for health districts and county building departments that are authorized to perform inspections pursuant to a contract under division (C)(1) of this section, and for continuing education of plumbing inspectors. Those minimum qualifications shall be related to the types of buildings for which a person seeks certification.

(E) The superintendent may enter into reciprocal registration, licensure, or certification agreements with other states and other agencies of this state relative to plumbing inspectors if both of the following apply:

(1) The requirements for registration, licensure, or certification of plumbing inspectors under the laws of the other state or laws administered by the other agency are substantially equal to the requirements the superintendent adopts under division (D) of this section for certifying plumbing inspectors.

(2) The other state or agency extends similar reciprocity to persons certified under this chapter.

(F) The superintendent may select and contract with one or more persons to do all of the following regarding examinations for certification of plumbing inspectors:

(1) Prepare, administer, score, and maintain the confidentiality of the examination;

(2) Maintain responsibility for all expenses required to comply with division (F)(1) of this section;

(3) Charge each applicant a fee for administering the examination in an amount the superintendent authorizes;

(4) Design the examination for certification of plumbing inspectors to determine an applicant's competence to inspect plumbing.

(G) Standards and methods prescribed in local plumbing regulations shall not be less than those prescribed in Chapters 3781. and 3791. of the Revised Code and the rules adopted pursuant to those chapters.

(H) Notwithstanding any other provision of this section, the division shall make a plumbing inspection of any building or other place that there is reason to believe is in a condition to be a menace to the public health.

Sec. 3703.03. In the administration of sections 3703.01 to ~~3703.09~~ 3703.08 of the Revised Code, the division of ~~industrial compliance~~ labor shall enforce rules governing plumbing adopted by the board of building standards under authority of sections 3781.10 and 3781.11 of the Revised Code, and register those persons engaged in or at the plumbing business.

Plans and specifications for all plumbing to be installed in or for buildings coming within such sections shall be submitted to and approved by the division before the contract for plumbing is let.

Sec. 3703.04. The superintendent of ~~industrial compliance~~ labor shall appoint such number of plumbing inspectors as is required. The inspectors shall be practical plumbers with at least seven years' experience, and skilled and well-trained in matters pertaining to sanitary regulations concerning plumbing work.

Sec. 3703.05. Plumbing inspectors employed by the division of ~~industrial compliance~~ labor assigned to the enforcement of sections 3703.01 to ~~3703.09~~ 3703.08 of the Revised Code may, between sunrise and sunset, enter any building where there is good and sufficient reason to believe that the sanitary condition of the premises endangers the public health, for the purpose of making an inspection to ascertain the condition of the premises.

Sec. 3703.06. When any building is found to be in a sanitary condition or when changes which are ordered, under authority of this chapter, in the plumbing, drainage, or ventilation have been made, and after a thorough inspection and approval by the superintendent of ~~industrial compliance~~ labor, the superintendent shall issue a certificate, which shall be posted in a conspicuous place for the benefit of the public at large. Upon notification by the superintendent, the certificate shall be revoked for any violation of those sections.

Sec. 3703.07. No plumbing work shall be done in any building or place coming within the jurisdiction of the division of ~~industrial compliance~~ labor, except in cases of repairs or leaks in existing plumbing, until a permit has been issued by the division.

Before granting such permit, an application shall be made by the owner of the property or by the person, firm, or corporation which is to do the work. The application shall be made on a form prepared by the division for the purpose, and each application shall be accompanied by a fee of twenty-seven dollars, and an additional fee of seven dollars for each trap, vented fixture, appliance, or device. Each application also shall be accompanied by a plan approval fee of eighteen dollars for work containing one through twenty fixtures; thirty-six dollars for work containing twenty-one through forty fixtures; and fifty-four dollars for work containing forty-one or more fixtures.

Whenever a reinspection is made necessary by the failure of the applicant or plumbing contractor to have the work ready for inspection when so reported, or by reason of faulty or improper installation, the person shall pay a fee of forty-five dollars for each reinspection.

All fees collected pursuant to this section shall be paid into the state treasury to the credit of the ~~industrial compliance~~ labor operating fund created in section 121.084 of the Revised Code.

The superintendent of ~~industrial compliance~~ labor, by rule adopted in accordance with Chapter 119. of the Revised Code, may increase the fees required by this section and may establish fees to pay the costs of the division to fulfill its duties established by this chapter, including, but not limited to, fees for administering a program for continuing education for, and certifying and recertifying plumbing inspectors. The fees shall bear some reasonable relationship to the cost of administering and enforcing the provisions of this chapter.

Sec. 3703.08. Any owner, agent, or manager of a building in which an inspection is made by the division of ~~industrial compliance~~ labor, a board of health of a health district, or a certified department of building inspection of a municipal corporation or a county shall have the entire system of drainage and ventilation repaired, as the division, board of health, or department of building inspection directs by its order. After due notice to repair that work is given, the owner, agent, or manager shall notify the public authority that issued the order when the work is ready for its inspection. No person shall fail to have the work ready for inspection at the time specified in the notice.

Sec. 3703.10. All prosecutions and proceedings by the division of ~~industrial compliance~~ labor for the violation of sections 3703.01 to ~~3703.09~~ 3703.08 of the Revised Code, or for the violation of any of the orders or rules of the division under those sections, shall be instituted by the superintendent of ~~industrial compliance~~ labor. All fines or judgments collected by the division shall be paid into the state treasury to the credit of the ~~industrial compliance~~ labor operating fund created by section 121.084 of the Revised Code.

The superintendent, the board of health of a general or city health district, or any person charged with enforcing the rules of the division adopted under sections 3703.01 to ~~3703.09~~ 3703.08 of the Revised Code may petition the court

of common pleas for injunctive or other appropriate relief requiring any person violating a rule adopted or order issued by the superintendent under those sections to comply with the rule or order. The court of common pleas of the county in which the offense is alleged to be occurring may grant injunctive or other appropriate relief.

The superintendent may do all of the following:

(A) Deny an applicant certification as a plumbing inspector;

(B) Suspend or revoke the certification of a plumbing inspector;

(C) Examine any certified plumbing inspector under oath;

(D) Examine the records and books of any certified plumbing inspector if the superintendent finds the material to be examined relevant to a determination described in division (A), (B), or (C) of this section.

Sec. 3703.21. (A) Within ninety days after ~~the effective date of this section~~ September 16, 2004, the superintendent of ~~the division of industrial compliance~~ labor shall appoint a backflow advisory board consisting of not more than ten members, who shall serve at the pleasure of the superintendent. The superintendent shall appoint a representative from the plumbing section of the division of ~~industrial compliance~~ labor, three representatives recommended by the plumbing administrator of the division of ~~industrial compliance~~ labor, a representative of the drinking water program of the Ohio environmental protection agency, three representatives recommended by the director of environmental protection, and not more than two members who are not employed by the plumbing or water industry.

The board shall advise the superintendent on matters pertaining to the training and certification of backflow technicians.

(B) The superintendent shall adopt rules in accordance with Chapter 119. of the Revised Code to provide for the certification of backflow technicians. The rules shall establish all of the following requirements, specifications, and procedures:

(1) Requirements and procedures for the initial certification of backflow technicians, including eligibility criteria and application requirements and fees;

(2) Specifications concerning and procedures for taking examinations required for certification as a backflow technician, including eligibility criteria to take the examination and application requirements and fees for taking the examination;

(3) Specifications concerning and procedures for renewing a certification as a backflow technician, including eligibility criteria, application requirements, and fees for renewal;

(4) Specifications concerning and procedures for both of the following:

(a) Approval of training agencies authorized to teach required courses to

candidates for certification as backflow technicians or continuing education courses to certified backflow technicians;

(b) Renewal of the approval described in division (B)(4)(a) of this section.

(5) Education requirements that candidates for initial certification as backflow technicians must satisfy and continuing education requirements that certified backflow technicians must satisfy;

(6) Grounds and procedures for denying, suspending, or revoking certification, or denying the renewal of certification, as a backflow technician;

(7) Procedures for issuing administrative orders for the remedy of any violation of this section or any rule adopted pursuant to division (B) of this section, including, but not limited to, procedures for assessing a civil penalty authorized under division (D) of this section;

(8) Any provision the superintendent determines is necessary to administer or enforce this section.

(C) No individual shall engage in the installation, testing, or repair of any isolation backflow prevention device unless that individual possesses a valid certification as a backflow technician. This division does not apply with respect to the installation, testing, or repair of any containment backflow prevention device.

(D) Whoever violates division (C) of this section or any rule adopted pursuant to division (B) of this section shall pay a civil penalty of not more than five thousand dollars for each day that the violation continues. The superintendent may, by order, assess a civil penalty under this division, or may request the attorney general to bring a civil action to impose the civil penalty in the court of common pleas of the county in which the violation occurred or where the violator resides.

(E) Any action taken under a rule adopted pursuant to division (B)(6) of this section is subject to the appeal process of Chapter 119. of the Revised Code. An administrative order issued pursuant to rules adopted under division (B)(7) of this section and an appeal to that type of administrative order shall be executed in accordance with Chapter 119. of the Revised Code.

(F) As used in this section:

(1) "Isolation backflow prevention device" means a device for the prevention of the backflow of liquids, solids, or gases that is regulated by the building code adopted pursuant to section 3781.10 of the Revised Code and rules adopted pursuant to this section.

(2) "Containment backflow prevention device" means a device for the prevention of the backflow of liquids, solids, or gases that is installed by the supplier of, or as a requirement of, any public water system as defined in division (A) of section 6109.01 of the Revised Code.

Sec. 3703.99. Whoever violates sections 3703.01 to ~~3703.09~~ 3703.08 of the Revised Code, or any rule the division of ~~industrial compliance~~ labor is required to enforce under such sections, shall be fined not less than ten nor more than one hundred dollars or imprisoned for not less than ten nor more than ninety days, or both. No person shall be imprisoned under this section for the first offense, and the prosecution always shall be as for a first offense unless the affidavit upon which the prosecution is instituted contains the allegation that the offense is a second or repeated offense."

Between lines 50308 and 50309, insert:

"**Sec. 3713.01.** As used in sections 3713.01 to 3713.10 of the Revised Code:

(A) "Person" has the same meaning as used in division (C) of section 1.59 of the Revised Code and also means any limited company, limited liability partnership, joint stock company, or other association.

(B) "Bedding" means any upholstered furniture, any mattress, upholstered spring, comforter, bolster, pad, cushion, pillow, mattress protector, quilt, and any other upholstered article, to be used for sleeping, resting, or reclining purposes, and any glider, hammock, or other substantially similar article that is wholly or partly upholstered.

(C) "Secondhand" means any article, or material, or portion thereof of which prior use has been made in any manner whatsoever.

(D) "Remade, repaired, or renovated articles not for sale" means any article that is remade, repaired, or renovated for and is returned to the owner for the owner's own use.

(E) "Sale," "sell," or "sold" shall, in the corresponding tense, mean sell, offer to sell, or deliver or consign in sale, or possess with intent to sell, or deliver in sale.

(F) "Upholstered furniture" means any article of furniture wholly or partly stuffed or filled with material and that is used or intended for use for sitting, resting, or reclining purposes.

(G) "Stuffed toy" means any article intended for use as a plaything or for an educational or recreational purpose that is wholly or partially stuffed with material.

(H) "Tag" or "label" means any material prescribed by the superintendent of ~~industrial compliance~~ labor to be attached to an article that contains information required under this chapter.

Sec. 3713.02. (A) Except as provided in section 3713.05 of the Revised Code, no person shall import, manufacture, renovate, wholesale, or reupholster stuffed toys or articles of bedding in this state without first registering to do so with the superintendent of ~~industrial compliance~~ labor in accordance with section 3713.05 of the Revised Code.

(B) No person shall manufacture, offer for sale, sell, deliver, or possess for the purpose of manufacturing, selling, or delivering, an article of bedding or a stuffed toy that is not labeled in accordance with section 3713.08 of the Revised Code.

(C) No person shall manufacture, offer for sale, sell, deliver, or possess for the purpose of manufacturing, selling, or delivering, an article of bedding or a stuffed toy that is falsely labeled.

(D) No person shall sell or offer for sale any secondhand article of bedding or any secondhand stuffed toy that has not been sanitized in accordance with section 3713.08 of the Revised Code.

(E) The possession of any article of bedding or stuffed toy in the course of business by a person required to obtain registration under this chapter, or by that person's agent or servant shall be prima-facie evidence of the person's intent to sell the article of bedding or stuffed toy.

Sec. 3713.03. The superintendent of ~~industrial compliance~~ labor in the department of commerce shall administer and enforce this chapter.

Sec. 3713.04. (A) In accordance with Chapter 119. of the Revised Code, the superintendent of ~~industrial compliance~~ labor shall:

(1) Adopt rules pertaining to the definition, name, and description of materials necessary to carry out this chapter;

(2) Determine the testing standards, fees, and charges to be paid for making any test or analysis required pursuant to section 3713.08 of the Revised Code.

(B) In accordance with Chapter 119. of the Revised Code, the superintendent may adopt rules regarding the following:

(1) Establishing an initial application fee or an annual registration renewal fee not more than fifty per cent higher than the fees set forth in section 4713.05 of the Revised Code;

(2) Establishing standards, on a reciprocal basis, for the acceptance of labels and laboratory analyses from other states where the labeling requirements and laboratory analysis standards are substantially equal to the requirements of this state, provided the other state extends similar reciprocity to labels and laboratory analysis conducted under this chapter;

(3) Any other rules necessary to administer and carry out this chapter.

(C) The superintendent may do any of the following:

(1) Issue administrative orders, conduct hearings, and take all actions necessary under the authority of Chapter 119. of the Revised Code for the administration of this chapter. The authority granted under this division shall include the authority to suspend, revoke, or deny registration under this chapter.

(2) Establish and maintain facilities within the department of commerce to make tests and analysis of materials used in the manufacture of bedding and stuffed toys. The superintendent also may designate established laboratories in various sections of the state that are qualified to make these tests. If the superintendent exercises this authority, the superintendent shall adopt rules to determine the fees and charges to be paid for making the tests or analyses authorized under this section.

(3) Exercise such other powers and duties as are necessary to carry out the purpose and intent of this chapter.

Sec. 3713.05. (A) Applications to register to import, manufacture, renovate, wholesale, make, or reupholster stuffed toys or bedding in this state shall be made in writing on forms provided by the superintendent of ~~industrial compliance~~ labor. The application shall be accompanied by a registration fee of fifty dollars per person unless the applicant engages only in renovation, in which case the registration fee shall be thirty-five dollars.

(B) Upon receipt of the application and the appropriate fee, the superintendent shall register the applicant and assign a registration number to the registrant.

(C) Notwithstanding section 3713.02 of the Revised Code and division (A) of this section, the following are exempt from registration:

(1) An organization described in section 501(c)(3) of the "Internal Revenue Code of 1986," and exempt from income tax under section 501(a) of that code and that is operated exclusively to provide recreation or social services;

(2) A person who is not regularly engaged in the business of manufacturing, making, wholesaling, or importing stuffed toys but who manufactures or makes stuffed toys as a leisure pursuit and who sells one hundred or fewer stuffed toys within one calendar year;

(3) A person who is not regularly engaged in the business of manufacturing, making, wholesaling, or importing quilts, comforters, pillows, or cushions, but who manufactures or makes these items as a leisure pursuit and who sells five or fewer quilts, ten or fewer comforters, or twenty or fewer pillows or cushions within one calendar year.

(D) Notwithstanding division (C)(2) or (3) of this section, a person exempt under that division must attach a label to each stuffed toy that contains all of the following information:

(1) The person's name and address;

(2) A statement that the person is not registered by the state of Ohio;

(3) A statement that the contents of the product have not been inspected.

Sec. 3713.06. (A) Any person required to register under division (A) of section 3713.02 of the Revised Code who imports bedding or stuffed toys into

this state for retail sale or use in this state and any person required to register under division (A) of section 3713.02 of the Revised Code who manufactures bedding or stuffed toys in this state for retail sale or use in this state shall submit a report to the superintendent of ~~industrial compliance~~ labor, in a form and manner prescribed by the superintendent. The form shall be submitted once every six months and shall show the total number of items of bedding or stuffed toys imported into this state or manufactured in this state. Each report shall be accompanied by a fee of four cents for each item of bedding or stuffed toy imported into this state or manufactured in this state.

(B) Every importer, manufacturer, or wholesaler of stuffed toys or articles of bedding, and every mobile home and recreational vehicle dealer, conversion van dealer, secondhand dealer, and auction house shall retain records, designated by the superintendent in rule, for the time period established in rule.

(C) Every importer, manufacturer, or wholesaler of stuffed toys or articles of bedding, and every mobile home and recreational vehicle dealer, conversion van dealer, secondhand dealer, and auction house shall make sufficient investigation of its records to ensure that the information reported to the superintendent under division (A) of this section is accurate.

Sec. 3713.07. (A) Registration obtained under this chapter expires annually on the last day of the month in the month that the registration was obtained. The superintendent of ~~industrial compliance~~ labor shall renew the registration in accordance with Chapter 4745. of the Revised Code.

(B) Failure on the part of any registrant to renew registration prior to its expiration, when notified as required in this section, shall not deprive the person of the right to renewal within the ninety days that follow expiration, but the fee to be paid for renewal after its expiration shall be one hundred dollars plus the standard registration fee for the registrant.

(C) If a registrant fails to renew registration within ninety days of the date that it expired, the former registrant shall comply with the registration requirements under section 3713.05 of the Revised Code to obtain valid registration.

Sec. 3713.08. (A) All persons required to register under division (A) of section 3713.02 of the Revised Code manufacturing, making, or wholesaling bedding or stuffed toys, or both, that are sold or offered for sale shall have the material content of their products tested and analyzed at an established laboratory designated by the superintendent of ~~industrial compliance~~ labor before the bedding or stuffed toys are sold or offered for sale.

(B) Every stuffed toy or item of bedding sold or offered for sale shall have a label affixed to it that reports the contents of the stuffed toy or bedding material in conformity with requirements established by the superintendent, a registration number, and any other identifying information as required by the superintendent.

(C) The seller of any secondhand articles of bedding or stuffed toys shall

sanitize all items in accordance with rules established by the superintendent prior to the sale of or the offering for sale of any secondhand articles.

(D) This section does not apply to any of the following:

(1) Persons who meet the qualifications of division (C)(2) or (3) of section 3713.05 of the Revised Code;

(2) The sale of furniture more than fifty years old;

(3) The sale of furniture from the home of the owner directly to the purchaser.

Sec. 3713.09. (A) The superintendent of ~~industrial compliance~~ labor may appoint inspectors and periodically inspect and investigate any establishment where bedding or stuffed toys are manufactured, made, remade, renovated, repaired, sanitized, sold, or offered for sale, or where previously used material is processed for use in the manufacture of bedding or stuffed toys.

(1) Each inspector shall make a written report to the superintendent of each examination and inspection complete with the inspector's findings and recommendations. Inspectors may place "off sale" any article of bedding or stuffed toy offered for sale, or found in the possession of any person with the intent to sell, in violation of section 3713.02 of the Revised Code. Inspectors shall perform other duties related to inspection and examination as prescribed by the superintendent.

(2) When articles are placed "off sale" under division (A)(1) of this section, they shall be tagged, and the tag shall not be removed except by an authorized representative of the division of ~~industrial compliance~~ labor after the violator demonstrates to the satisfaction of the superintendent proof of compliance with the requirements of section 3713.08 of the Revised Code.

(B)(1) When an inspector has cause to believe that any bedding or stuffed toy is not tagged or labeled in accordance with section 3713.08 of the Revised Code, the inspector may open any seam of the bedding or stuffed toy in question to examine the material used or contained within it and take a reasonable amount of the material for testing and analysis and, if necessary, examine any and all purchase records in order to determine the contents or the kind of material used in the bedding or stuffed toy in question. An inspector may seize and hold evidence of any article of bedding, stuffed toy, or material manufactured, made, possessed, renovated, remade, or repaired, sold, or offered for sale contrary to this chapter.

(2) Immediately after seizing articles believed to be in violation of this chapter, the inspector immediately shall report the seizure to the superintendent. The superintendent shall hold a hearing in accordance with Chapter 119. of the Revised Code or make a ruling in the matter. If the superintendent finds that the article of bedding, stuffed toy, or material is not in violation of this chapter, the superintendent shall order the item or items returned to the owner. If the superintendent finds a violation of this chapter, the superintendent may do either

of the following:

(a) Return the articles to the owner for proper treatment, tagging or labeling, or other action as ordered by the superintendent, subject to the requirement that the articles be reinspected at cost to the owner, prior to being sold or offered for sale;

(b) Report the violation to the appropriate prosecuting attorney or city law director.

(C) The superintendent, at reasonable times and upon reasonable notice, may examine or cause to be examined the records of any importer, manufacturer, or wholesaler of stuffed toys or articles of bedding, mobile home and recreational vehicle dealer, conversion van dealer, secondhand dealer, or auction house to determine compliance with this chapter. The superintendent may enter into contracts, pursuant to procedures prescribed by the superintendent, with persons to examine these records to determine compliance with this chapter. These persons may collect and remit to the superintendent any amounts due under this chapter.

(D) Records audited pursuant to division (C) of this section are confidential and shall not be disclosed except as required by section 149.43 of the Revised Code, or as the superintendent finds necessary for the proper administration of this chapter.

(E) In the case of any investigation or examination, or both, that requires investigation or examination outside of this state of any importer, manufacturer, or wholesaler of stuffed toys or articles of bedding, or of any mobile home or recreational vehicle dealer, conversion van dealer, secondhand dealer, or auction house, the superintendent may require the investigated or examined person to pay the actual expense of the investigation or examination. The superintendent shall provide an itemized statement of actual expenses to the investigated or examined person.

(F) Whenever the superintendent has reason to believe, from the superintendent's own information, upon complaint, or otherwise, that any person has engaged in, is engaging in, or is about to engage in any practice prohibited by this chapter, or when the superintendent has reason to believe that it is necessary for public health and safety, the superintendent may do any of the following:

(1) Investigate violations of this chapter, and for that purpose, may subpoena witnesses in connection with the investigation. The superintendent may make application to the appropriate court of common pleas for an order enjoining the violation of this chapter, and upon a showing by the superintendent that any registrant or person acting in a manner that requires registration has violated or is about to violate this chapter, an injunction, restraining order, or other order as may be appropriate shall be granted by the court.

(2) Compel by subpoena the attendance of witnesses to testify in relation

to any matter over which the superintendent has jurisdiction and that is the subject of inquiry and investigation by the superintendent, and require the production of any book, paper, or document pertaining to the matter. In case any person fails to file any statement or report, obey any subpoena, give testimony, or produce any books, records, or papers as required by a subpoena, the court of common pleas of any county in the state, upon application made to it by the superintendent, shall compel obedience by attachment proceedings for contempt.

(3) Suspend or revoke the registration of any importer, manufacturer, or wholesaler of stuffed toys or articles of bedding, mobile home or recreational vehicle dealer, conversion van dealer, secondhand dealer, or auction house;

(4) Submit evidence of the violation or violations to any city prosecutor, city director of law, or prosecuting attorney with authority to prosecute. If the city prosecutor, city director of law, or prosecuting attorney with authority to prosecute fails to prosecute, the superintendent shall submit the evidence to the attorney general who may proceed with the prosecution.

Sec. 3713.10. All money collected under this chapter shall be deposited into the state treasury to the credit of the ~~industrial compliance~~ labor operating fund created under section 121.084 of the Revised Code."

Between lines 52726 and 52727, insert:

"**Sec. 3721.071.** The buildings in which a home is housed shall be equipped with both an automatic fire extinguishing system and fire alarm system. Such systems shall conform to standards set forth in the regulations of the board of building standards and the state fire marshal.

The time for compliance with the requirements imposed by this section shall be January 1, 1975, except that the date for compliance with the automatic fire extinguishing requirements is extended to January 1, 1976, provided the buildings of the home are otherwise in compliance with fire safety laws and regulations and:

(A) The home within thirty days after August 4, 1975, files a written plan with the state fire marshal's office that:

(1) Outlines the interim safety procedures which shall be carried out to reduce the possibility of a fire;

(2) Provides evidence that the home has entered into an agreement for a fire safety inspection to be conducted not less than monthly by a qualified independent safety engineer consultant or a township, municipal, or other legally constituted fire department, or by a township or municipal fire prevention officer;

(3) Provides verification that the home has entered into a valid contract for the installation of an automatic fire extinguishing system or fire alarm system, or both, as required to comply with this section;

(4) Includes a statement regarding the expected date for the completion

of the fire extinguishing system or fire alarm system, or both.

(B) Inspections by a qualified independent safety engineer consultant or a township, municipal, or other legally constituted fire department, or by a township or municipal fire prevention officer are initiated no later than sixty days after August 4, 1975, and are conducted no less than monthly thereafter, and reports of the consultant, fire department, or fire prevention officer identifying existing hazards and recommended corrective actions are submitted to the state fire marshal, the division of ~~industrial compliance~~ labor in the department of commerce, and the department of health.

It is the express intent of the general assembly that the department of job and family services shall terminate payments under Title XIX of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as amended, to those homes which do not comply with the requirements of this section for the submission of a written fire safety plan and the deadline for entering into contracts for the installation of systems."

In line 53145, strike through "industrial compliance" and insert " labor"

In line 53288, strike through "industrial compliance" and insert " labor"

Between lines 53393 and 53394, insert:

"**Sec. 3722.041.** (A) Sections 3781.06 to 3781.18 and 3791.04 of the Revised Code do not apply to an adult family home for which application is made to the director of health for licensure as an adult care facility under this chapter. Adult family homes shall not be required to submit evidence to the director of health that the home has been inspected by a local certified building department or the division of ~~industrial compliance~~ labor in the department of commerce or by the state fire marshal or a fire prevention officer under section 3722.02 of the Revised Code, but shall be inspected by the director of health to determine compliance with this section. An inspection made under this section may be made at the same time as an inspection made under section 3722.04 of the Revised Code.

(B) The director shall not license or renew the license of an adult family home unless it meets the fire protection standards established by rules adopted by the public health council pursuant to this chapter."

Between lines 56185 and 56186, insert:

"**Sec. 3743.04.** (A) The license of a manufacturer of fireworks is effective for one year beginning on the first day of December. The state fire marshal shall issue or renew a license only on that date and at no other time. If a manufacturer of fireworks wishes to continue manufacturing fireworks at the designated fireworks plant after its then effective license expires, it shall apply no later than the first day of October for a new license pursuant to section 3743.02 of the Revised Code. The state fire marshal shall send a written notice of the expiration of its license to a licensed manufacturer at least three months before the expiration date.

(B) If, during the effective period of its licensure, a licensed manufacturer of fireworks wishes to construct, locate, or relocate any buildings or other structures on the premises of its fireworks plant, to make any structural change or renovation in any building or other structure on the premises of its fireworks plant, or to change the nature of its manufacturing of fireworks so as to include the processing of fireworks, the manufacturer shall notify the state fire marshal in writing. The state fire marshal may require a licensed manufacturer also to submit documentation, including, but not limited to, plans covering the proposed construction, location, relocation, structural change or renovation, or change in manufacturing of fireworks, if the state fire marshal determines the documentation is necessary for evaluation purposes in light of the proposed construction, location, relocation, structural change or renovation, or change in manufacturing of fireworks.

Upon receipt of the notification and additional documentation required by the state fire marshal, the state fire marshal shall inspect the premises of the fireworks plant to determine if the proposed construction, location, relocation, structural change or renovation, or change in manufacturing of fireworks conforms to sections 3743.02 to 3743.08 of the Revised Code and the rules adopted by the state fire marshal pursuant to section 3743.05 of the Revised Code. The state fire marshal shall issue a written authorization to the manufacturer for the construction, location, relocation, structural change or renovation, or change in manufacturing of fireworks if the state fire marshal determines, upon the inspection and a review of submitted documentation, that the construction, location, relocation, structural change or renovation, or change in manufacturing of fireworks conforms to those sections and rules. Upon authorizing a change in manufacturing of fireworks to include the processing of fireworks, the state fire marshal shall make notations on the manufacturer's license and in the list of licensed manufacturers in accordance with section 3743.03 of the Revised Code.

On or before June 1, 1998, a licensed manufacturer shall install, in every licensed building in which fireworks are manufactured, stored, or displayed and to which the public has access, interlinked fire detection, smoke exhaust, and smoke evacuation systems that are approved by the superintendent of ~~the division of industrial compliance~~ labor, and shall comply with floor plans showing occupancy load limits and internal circulation and egress patterns that are approved by the state fire marshal and superintendent, and that are submitted under seal as required by section 3791.04 of the Revised Code. Notwithstanding section 3743.59 of the Revised Code, the construction and safety requirements established in this division are not subject to any variance, waiver, or exclusion.

(C) The license of a manufacturer of fireworks authorizes the manufacturer to engage only in the following activities:

(1) The manufacturing of fireworks on the premises of the fireworks plant as described in the application for licensure or in the notification submitted under division (B) of this section, except that a licensed manufacturer shall not

engage in the processing of fireworks unless authorized to do so by its license.

(2) To possess for sale at wholesale and sell at wholesale the fireworks manufactured by the manufacturer, to persons who are licensed wholesalers of fireworks, to out-of-state residents in accordance with section 3743.44 of the Revised Code, to residents of this state in accordance with section 3743.45 of the Revised Code, or to persons located in another state provided the fireworks are shipped directly out of this state to them by the manufacturer. A person who is licensed as a manufacturer of fireworks on June 14, 1988, also may possess for sale and sell pursuant to division (C)(2) of this section fireworks other than those the person manufactures. The possession for sale shall be on the premises of the fireworks plant described in the application for licensure or in the notification submitted under division (B) of this section, and the sale shall be from the inside of a licensed building and from no other structure or device outside a licensed building. At no time shall a licensed manufacturer sell any class of fireworks outside a licensed building.

(3) Possess for sale at retail and sell at retail the fireworks manufactured by the manufacturer, other than 1.4G fireworks as designated by the state fire marshal in rules adopted pursuant to division (A) of section 3743.05 of the Revised Code, to licensed exhibitors in accordance with sections 3743.50 to 3743.55 of the Revised Code, and possess for sale at retail and sell at retail the fireworks manufactured by the manufacturer, including 1.4G fireworks, to out-of-state residents in accordance with section 3743.44 of the Revised Code, to residents of this state in accordance with section 3743.45 of the Revised Code, or to persons located in another state provided the fireworks are shipped directly out of this state to them by the manufacturer. A person who is licensed as a manufacturer of fireworks on June 14, 1988, may also possess for sale and sell pursuant to division (C)(3) of this section fireworks other than those the person manufactures. The possession for sale shall be on the premises of the fireworks plant described in the application for licensure or in the notification submitted under division (B) of this section, and the sale shall be from the inside of a licensed building and from no other structure or device outside a licensed building. At no time shall a licensed manufacturer sell any class of fireworks outside a licensed building.

A licensed manufacturer of fireworks shall sell under division (C) of this section only fireworks that meet the standards set by the consumer product safety commission or by the American fireworks standard laboratories or that have received an EX number from the United States department of transportation.

(D) The license of a manufacturer of fireworks shall be protected under glass and posted in a conspicuous place on the premises of the fireworks plant. Except as otherwise provided in this division, the license is not transferable or assignable. A license may be transferred to another person for the same fireworks plant for which the license was issued if the assets of the plant are transferred to that person by inheritance or by a sale approved by the state fire

marshal. The license is subject to revocation in accordance with section 3743.08 of the Revised Code.

(E) The state fire marshal shall not place the license of a manufacturer of fireworks in a temporarily inactive status while the holder of the license is attempting to qualify to retain the license.

(F) Each licensed manufacturer of fireworks that possesses fireworks for sale and sells fireworks under division (C) of section 3743.04 of the Revised Code, or a designee of the manufacturer, whose identity is provided to the state fire marshal by the manufacturer, annually shall attend a continuing education program. The state fire marshal shall develop the program and the state fire marshal or a person or public agency approved by the state fire marshal shall conduct it. A licensed manufacturer or the manufacturer's designee who attends a program as required under this division, within one year after attending the program, shall conduct in-service training as approved by the state fire marshal for other employees of the licensed manufacturer regarding the information obtained in the program. A licensed manufacturer shall provide the state fire marshal with notice of the date, time, and place of all in-service training. For any program conducted under this division, the state fire marshal shall, in accordance with rules adopted by the state fire marshal under Chapter 119. of the Revised Code, establish the subjects to be taught, the length of classes, the standards for approval, and time periods for notification by the licensee to the state fire marshal of any in-service training.

(G) A licensed manufacturer shall maintain comprehensive general liability insurance coverage in the amount and type specified under division (B)(2) of section 3743.02 of the Revised Code at all times. Each policy of insurance required under this division shall contain a provision requiring the insurer to give not less than fifteen days' prior written notice to the state fire marshal before termination, lapse, or cancellation of the policy, or any change in the policy that reduces the coverage below the minimum required under this division. Prior to canceling or reducing the amount of coverage of any comprehensive general liability insurance coverage required under this division, a licensed manufacturer shall secure supplemental insurance in an amount and type that satisfies the requirements of this division so that no lapse in coverage occurs at any time. A licensed manufacturer who secures supplemental insurance shall file evidence of the supplemental insurance with the state fire marshal prior to canceling or reducing the amount of coverage of any comprehensive general liability insurance coverage required under this division.

(H) The state fire marshal shall adopt rules for the expansion or contraction of a licensed premises and for approval of such expansions or contractions. The boundaries of a licensed premises, including any geographic expansion or contraction of those boundaries, shall be approved by the state fire marshal in accordance with rules the state fire marshal adopts. If the licensed premises consists of more than one parcel of real estate, those parcels shall be contiguous unless an exception is allowed pursuant to division (I) of this section.

(I)(1) A licensed manufacturer may expand its licensed premises within this state to include not more than two storage locations that are located upon one or more real estate parcels that are noncontiguous to the licensed premises as that licensed premises exists on the date a licensee submits an application as described below, if all of the following apply:

(a) The licensee submits an application to the state fire marshal and an application fee of one hundred dollars per storage location for which the licensee is requesting approval.

(b) The identity of the holder of the license remains the same at the storage location.

(c) The storage location has received a valid certificate of zoning compliance as applicable and a valid certificate of occupancy for each building or structure at the storage location issued by the authority having jurisdiction to issue the certificate for the storage location, and those certificates permit the distribution and storage of fireworks regulated under this chapter at the storage location and in the buildings or structures. The storage location shall be in compliance with all other applicable federal, state, and local laws and regulations.

(d) Every building or structure located upon the storage location is separated from occupied residential and nonresidential buildings or structures, railroads, highways, or any other buildings or structures on the licensed premises in accordance with the distances specified in the rules adopted by the state fire marshal pursuant to section 3743.05 of the Revised Code.

(e) Neither the licensee nor any person holding, owning, or controlling a five per cent or greater beneficial or equity interest in the licensee has been convicted of or pleaded guilty to a felony under the laws of this state, any other state, or the United States, after September 29, 2005.

(f) The state fire marshal approves the application for expansion.

(2) The state fire marshal shall approve an application for expansion requested under division (I)(1) of this section if the state fire marshal receives the application fee and proof that the requirements of divisions (I)(1)(b) to (e) of this section are satisfied. The storage location shall be considered part of the original licensed premises and shall use the same distinct number assigned to the original licensed premises with any additional designations as the state fire marshal deems necessary in accordance with section 3743.03 of the Revised Code.

(J)(1) A licensee who obtains approval for the use of a storage location in accordance with division (I) of this section shall use the storage location exclusively for the following activities, in accordance with division (C) of this section:

(a) The packaging, assembling, or storing of fireworks, which shall only occur in buildings or structures approved for such hazardous uses by the building

code official having jurisdiction for the storage location or, for 1.4G fireworks, in containers or trailers approved for such hazardous uses by the state fire marshal if such containers or trailers are not subject to regulation by the building code adopted in accordance with Chapter 3781. of the Revised Code. All such storage shall be in accordance with the rules adopted by the state fire marshal under division (G) of section 3743.05 of the Revised Code for the packaging, assembling, and storage of fireworks.

(b) Distributing fireworks to other parcels of real estate located on the manufacturer's licensed premises, to licensed wholesalers or other licensed manufacturers in this state or to similarly licensed persons located in another state or country;

(c) Distributing fireworks to a licensed exhibitor of fireworks pursuant to a properly issued permit in accordance with section 3743.54 of the Revised Code.

(2) A licensed manufacturer shall not engage in any sales activity, including the retail sale of fireworks otherwise permitted under division (C)(2) or (C)(3) of this section, or pursuant to section 3743.44 or 3743.45 of the Revised Code, at the storage location approved under this section.

(3) A storage location may not be relocated for a minimum period of five years after the storage location is approved by the state fire marshal in accordance with division (I) of this section.

(K) The licensee shall prohibit public access to the storage location. The state fire marshal shall adopt rules to describe the acceptable measures a manufacturer shall use to prohibit access to the storage site.

Sec. 3743.25. (A)(1) Except as described in division (A)(2) of this section, all retail sales of 1.4G fireworks by a licensed manufacturer or wholesaler shall only occur from an approved retail sales showroom on a licensed premises or from a representative sample showroom as described in this section on a licensed premises. For the purposes of this section, a retail sale includes the transfer of the possession of the 1.4G fireworks from the licensed manufacturer or wholesaler to the purchaser of the fireworks.

(2) Sales of 1.4G fireworks to a licensed exhibitor for a properly permitted exhibition shall occur in accordance with the provisions of the Revised Code and rules adopted by the state fire marshal under Chapter 119. of the Revised Code. Such rules shall specify, at a minimum, that the licensed exhibitor holds a license under section 3743.51 of the Revised Code, that the exhibitor possesses a valid exhibition permit issued in accordance with section 3743.54 of the Revised Code, and that the fireworks shipped are to be used at the specifically permitted exhibition.

(B) All wholesale sales of fireworks by a licensed manufacturer or wholesaler shall only occur from a licensed premises to persons who intend to resell the fireworks purchased at wholesale. A wholesale sale by a licensed

manufacturer or wholesaler may occur as follows:

(1) The direct sale and shipment of fireworks to a person outside of this state;

(2) From an approved retail sales showroom as described in this section;

(3) From a representative sample showroom as described in this section;

(4) By delivery of wholesale fireworks to a purchaser at a licensed premises outside of a structure or building on that premises. All other portions of the wholesale sales transaction may occur at any location on a licensed premises.

(5) Any other method as described in rules adopted by the state fire marshal under Chapter 119. of the Revised Code.

(C) A licensed manufacturer or wholesaler shall only sell 1.4G fireworks from a representative sample showroom or a retail sales showroom. Each licensed premises shall only contain one sales structure.

A representative sample showroom shall consist of a structure constructed and maintained in accordance with the nonresidential building code adopted under Chapter 3781. of the Revised Code and the fire code adopted under section 3737.82 of the Revised Code for a use and occupancy group that permits mercantile sales. A representative sample showroom shall not contain any pyrotechnics, pyrotechnic materials, fireworks, explosives, explosive materials, or any similar hazardous materials or substances. A representative sample showroom shall be used only for the public viewing of fireworks product representations, including paper materials, packaging materials, catalogs, photographs, or other similar product depictions. The delivery of product to a purchaser of fireworks at a licensed premises that has a representative sample structure shall not occur inside any structure on a licensed premises. Such product delivery shall occur on the licensed premises in a manner prescribed by rules adopted by the state fire marshal pursuant to Chapter 119. of the Revised Code.

If a manufacturer or wholesaler elects to conduct sales from a retail sales showroom, the showroom structures, to which the public may have any access and in which employees are required to work, on all licensed premises, shall comply with the following safety requirements:

(1) A fireworks showroom that is constructed or upon which expansion is undertaken on and after June 30, 1997, shall be equipped with interlinked fire detection, fire suppression, smoke exhaust, and smoke evacuation systems that are approved by the superintendent of ~~the division of industrial compliance~~ labor in the department of commerce.

(2) A fireworks showroom that first begins to operate on or after June 30, 1997, and to which the public has access for retail purposes shall not exceed five thousand square feet in floor area.

(3) A newly constructed or an existing fireworks showroom structure that

exists on ~~the effective date of this amendment~~ September 23, 2008, but that, on or after ~~the effective date of this amendment~~ September 23, 2008, is altered or added to in a manner requiring the submission of plans, drawings, specifications, or data pursuant to section 3791.04 of the Revised Code, shall comply with a graphic floor plan layout that is approved by the state fire marshal and superintendent ~~of the division of industrial compliance~~ showing width of aisles, parallel arrangement of aisles to exits, number of exits per wall, maximum occupancy load, evacuation plan for occupants, height of storage or display of merchandise, and other information as may be required by the state fire marshal and superintendent.

(4) A fireworks showroom structure that exists on June 30, 1997, shall be in compliance on or after June 30, 1997, with floor plans showing occupancy load limits and internal circulation and egress patterns that are approved by the state fire marshal and superintendent ~~of industrial compliance~~, and that are submitted under seal as required by section 3791.04 of the Revised Code.

(D) The safety requirements established in division (C) of this section are not subject to any variance, waiver, or exclusion pursuant to this chapter or any applicable building code."

Between lines 58438 and 58439, insert:

"**Sec. 3781.03.** (A) The state fire marshal, the fire chief of a municipal corporation that has a fire department, or the fire chief of a township that has a fire department shall enforce the provisions of this chapter and Chapter 3791. of the Revised Code that relate to fire prevention.

(B) The superintendent of ~~the division of industrial compliance~~ labor, or the building inspector or commissioner of buildings in a municipal corporation, county, or township in which the building department is certified by the board of building standards under section 3781.10 of the Revised Code shall enforce in the jurisdiction of each entity all the provisions in this chapter and Chapter 3791. of the Revised Code and any rules adopted pursuant to those chapters that relate to the construction, arrangement, and erection of all buildings or parts of buildings, as defined in section 3781.06 of the Revised Code, including the sanitary condition of those buildings in relation to heating and ventilation.

(C) The division of ~~industrial compliance~~ labor in the department of commerce, boards of health of health districts, certified departments of building inspection of municipal corporations, and county building departments that have authority to perform inspections pursuant to a contract under division (C)(1) of section 3703.01 of the Revised Code, subject to Chapter 3703. of the Revised Code, shall enforce this chapter and Chapter 3791. of the Revised Code and the rules adopted pursuant to those chapters that relate to plumbing. Building drains are considered plumbing for the purposes of enforcement of those chapters.

(D)(1) In accordance with Chapter 3703. of the Revised Code, the department of the city engineer, in cities having such departments, the boards of health of health districts, or the sewer purveyor, as appropriate, shall have

complete authority to supervise and regulate the entire sewerage and drainage system in the jurisdiction in which it is exercising the authority described in this division, including the building sewer and all laterals draining into the street sewers.

(2) In accordance with Chapter 3703. of the Revised Code, the department of the city engineer, the boards of health of health districts, or the sewer purveyor, as appropriate, shall control and supervise the installation and construction of all drains and sewers that become a part of the sewerage system and shall issue all the necessary permits and licenses for the construction and installation of all building sewers and of all other lateral drains that empty into the main sewers. The department of the city engineer, the boards of health of health districts, and the sewer purveyor, as appropriate, shall keep a permanent record of the installation and location of every drain and sewer of the drainage and sewerage system of the jurisdiction in which it has exercised the authority described in this division.

(E) This section does not exempt any officer or department from the obligation to enforce this chapter and Chapter 3791. of the Revised Code."

Between lines 58684 and 58685, insert:

"**Sec. 3781.102.** (A) Any county or municipal building department certified pursuant to division (E) of section 3781.10 of the Revised Code as of September 14, 1970, and that, as of that date, was inspecting single-family, two-family, and three-family residences, and any township building department certified pursuant to division (E) of section 3781.10 of the Revised Code, is hereby declared to be certified to inspect single-family, two-family, and three-family residences containing industrialized units, and shall inspect the buildings or classes of buildings subject to division (E) of section 3781.10 of the Revised Code.

(B) Each board of county commissioners may adopt, by resolution, rules establishing standards and providing for the licensing of electrical and heating, ventilating, and air conditioning contractors who are not required to hold a valid and unexpired license pursuant to Chapter 4740. of the Revised Code.

Rules adopted by a board of county commissioners pursuant to this division may be enforced within the unincorporated areas of the county and within any municipal corporation where the legislative authority of the municipal corporation has contracted with the board for the enforcement of the county rules within the municipal corporation pursuant to section 307.15 of the Revised Code. The rules shall not conflict with rules adopted by the board of building standards pursuant to section 3781.10 of the Revised Code or by the department of commerce pursuant to Chapter 3703. of the Revised Code. This division does not impair or restrict the power of municipal corporations under Section 3 of Article XVIII, Ohio Constitution, to adopt rules concerning the erection, construction, repair, alteration, and maintenance of buildings and structures or of establishing standards and providing for the licensing of

specialty contractors pursuant to section 715.27 of the Revised Code.

A board of county commissioners, pursuant to this division, may require all electrical contractors and heating, ventilating, and air conditioning contractors, other than those who hold a valid and unexpired license issued pursuant to Chapter 4740. of the Revised Code, to successfully complete an examination, test, or demonstration of technical skills, and may impose a fee and additional requirements for a license to engage in their respective occupations within the jurisdiction of the board's rules under this division.

(C) No board of county commissioners shall require any specialty contractor who holds a valid and unexpired license issued pursuant to Chapter 4740. of the Revised Code to successfully complete an examination, test, or demonstration of technical skills in order to engage in the type of contracting for which the license is held, within the unincorporated areas of the county and within any municipal corporation whose legislative authority has contracted with the board for the enforcement of county regulations within the municipal corporation, pursuant to section 307.15 of the Revised Code.

(D) A board may impose a fee for registration of a specialty contractor who holds a valid and unexpired license issued pursuant to Chapter 4740. of the Revised Code before that specialty contractor may engage in the type of contracting for which the license is held within the unincorporated areas of the county and within any municipal corporation whose legislative authority has contracted with the board for the enforcement of county regulations within the municipal corporation, pursuant to section 307.15 of the Revised Code, provided that the fee is the same for all specialty contractors who wish to engage in that type of contracting. If a board imposes such a fee, the board immediately shall permit a specialty contractor who presents proof of holding a valid and unexpired license and pays the required fee to engage in the type of contracting for which the license is held within the unincorporated areas of the county and within any municipal corporation whose legislative authority has contracted with the board for the enforcement of county regulations within the municipal corporation, pursuant to section 307.15 of the Revised Code.

(E) The political subdivision associated with each municipal, township, and county building department the board of building standards certifies pursuant to division (E) of section 3781.10 of the Revised Code may prescribe fees to be paid by persons, political subdivisions, or any department, agency, board, commission, or institution of the state, for the acceptance and approval of plans and specifications, and for the making of inspections, pursuant to sections 3781.03 and 3791.04 of the Revised Code.

(F) Each political subdivision that prescribes fees pursuant to division (E) of this section shall collect, on behalf of the board of building standards, fees equal to the following:

(1) Three per cent of the fees the political subdivision collects in connection with nonresidential buildings;

(2) One per cent of the fees the political subdivision collects in connection with residential buildings.

(G)(1) The board shall adopt rules, in accordance with Chapter 119. of the Revised Code, specifying the manner in which the fee assessed pursuant to division (F) of this section shall be collected and remitted monthly to the board. The board shall pay the fees into the state treasury to the credit of the ~~industrial compliance~~ labor operating fund created in section 121.084 of the Revised Code.

(2) All money credited to the ~~industrial compliance~~ labor operating fund under this division shall be used exclusively for the following:

(a) Operating costs of the board;

(b) Providing services, including educational programs, for the building departments that are certified by the board pursuant to division (E) of section 3781.10 of the Revised Code;

(c) Paying the expenses of the residential construction advisory committee, including the expenses of committee members as provided in section 4740.14 of the Revised Code.

(H) A board of county commissioners that adopts rules providing for the licensing of electrical and heating, ventilating, and air conditioning contractors, pursuant to division (B) of this section, may accept, for purposes of satisfying the requirements of rules adopted under that division, a valid and unexpired license issued pursuant to Chapter 4740. of the Revised Code that is held by an electrical or heating, ventilating, and air conditioning contractor, for the construction, replacement, maintenance, or repair of one-family, two-family, or three-family dwelling houses or accessory structures incidental to those dwelling houses.

(I) A board of county commissioners shall not register a specialty contractor who is required to hold a license under Chapter 4740. of the Revised Code but does not hold a valid license issued under that chapter.

(J) As used in this section, "specialty contractor" means a heating, ventilating, and air conditioning contractor, refrigeration contractor, electrical contractor, plumbing contractor, or hydronics contractor, as those contractors are described in Chapter 4740. of the Revised Code.

Sec. 3781.11. (A) The rules of the board of building standards shall:

(1) For nonresidential buildings, provide uniform minimum standards and requirements, and for residential buildings, provide standards and requirements that are uniform throughout the state, for construction and construction materials, including construction of industrialized units, to make residential and nonresidential buildings safe and sanitary as defined in section 3781.06 of the Revised Code;

(2) Formulate such standards and requirements, so far as may be practicable, in terms of performance objectives, so as to make adequate

performance for the use intended the test of acceptability;

(3) Permit, to the fullest extent feasible, the use of materials and technical methods, devices, and improvements, including the use of industrialized units which tend to reduce the cost of construction and erection without affecting minimum requirements for the health, safety, and security of the occupants or users of buildings or industrialized units and without preferential treatment of types or classes of materials or products or methods of construction;

(4) Encourage, so far as may be practicable, the standardization of construction practices, methods, equipment, material, and techniques, including methods employed to produce industrialized units;

(5) Not require any alteration or repair of any part of a school building owned by a chartered nonpublic school or a city, local, exempted village, or joint vocational school district and operated in conjunction with any primary or secondary school program that is not being altered or repaired if all of the following apply:

(a) The school building meets all of the applicable building code requirements in existence at the time of the construction of the building.

(b) The school building otherwise satisfies the requirements of section 3781.06 of the Revised Code.

(c) The part of the school building altered or repaired conforms to all rules of the board existing on the date of the repair or alteration.

(6) Not require any alteration or repair to any part of a workshop or factory that is not otherwise being altered, repaired, or added to if all of the following apply:

(a) The workshop or factory otherwise satisfies the requirements of section 3781.06 of the Revised Code.

(b) The part of the workshop or factory altered, repaired, or added conforms to all rules of the board existing on the date of plan approval of the repair, alteration, or addition.

(B) The rules of the board shall supersede and govern any order, standard, or rule of the division of ~~industrial compliance~~ labor in the department of commerce, division of the state fire marshal, the department of health, and of counties and townships, in all cases where such orders, standards, or rules are in conflict with the rules of the board, except that rules adopted and orders issued by the state fire marshal pursuant to Chapter 3743. of the Revised Code prevail in the event of a conflict.

(C) The construction, alteration, erection, and repair of buildings including industrialized units, and the materials and devices of any kind used in connection with them and the heating and ventilating of them and the plumbing and electric wiring in them shall conform to the statutes of this state or the rules adopted and promulgated by the board, and to provisions of local ordinances not

inconsistent therewith. Any building, structure, or part thereof, constructed, erected, altered, manufactured, or repaired not in accordance with the statutes of this state or with the rules of the board, and any building, structure, or part thereof in which there is installed, altered, or repaired any fixture, device, and material, or plumbing, heating, or ventilating system, or electric wiring not in accordance with such statutes or rules is a public nuisance.

(D) As used in this section:

(1) "Nonpublic school" means a chartered school for which minimum standards are prescribed by the state board of education pursuant to division (D) of section 3301.07 of the Revised Code.

(2) "Workshop or factory" includes manufacturing, mechanical, electrical, mercantile, art, and laundering establishments, printing, telegraph, and telephone offices, railroad depots, and memorial buildings, but does not include hotels and tenement and apartment houses."

Between lines 58835 and 58836, insert:

"**Sec. 3783.05.** The board of building standards, in accordance with Chapters 119., 3781., and 3791. of the Revised Code, shall adopt, amend, or repeal such rules as may be reasonably necessary to administer this chapter. All fees collected by the board pursuant to this chapter shall be paid into the state treasury to the credit of the ~~industrial compliance~~ labor operating fund created in section 121.084 of the Revised Code.

Sec. 3791.02. No owner, or person having the control as an officer or member of a board or committee or otherwise of any opera house, hall, theater, church, schoolhouse, college, academy, seminary, infirmary, sanitarium, children's home, hospital, medical institute, asylum, memorial building, armory, assembly hall, or other building for the assemblage or betterment of people shall fail to obey any order of the state fire marshal, boards of health of city and general health districts, the building inspector or commissioner in cities having a building inspection department, or the superintendent of ~~the division of industrial compliance~~ labor in the department of commerce under Chapters 3781. and 3791. of the Revised Code or rules or regulations adopted pursuant thereto.

Whoever violates this section shall be fined not more than one thousand dollars.

Sec. 3791.04. (A)(1) Before beginning the construction, erection, or manufacture of any building to which section 3781.06 of the Revised Code applies, including all industrialized units, the owner of that building, in addition to any other submission required by law, shall submit plans or drawings, specifications, and data prepared for the construction, erection, equipment, alteration, or addition that indicate the portions that have been approved pursuant to section 3781.12 of the Revised Code and for which no further approval is required, to the municipal, township, or county building department having jurisdiction unless one of the following applies:

(a) If no municipal, township, or county building department certified for nonresidential buildings pursuant to division (E) of section 3781.10 of the Revised Code has jurisdiction, the owner shall make the submissions described in division (A)(1) of this section to the superintendent of ~~the division of industrial compliance~~ labor.

(b) If no certified municipal, township, or county building department certified for residential buildings pursuant to division (E) of section 3781.10 of the Revised Code has jurisdiction, the owner is not required to make the submissions described in division (A)(1) of this section.

(2)(a) The seal of an architect registered under Chapter 4703. of the Revised Code or an engineer registered under Chapter 4733. of the Revised Code is required for any plans, drawings, specifications, or data submitted for approval, unless the plans, drawings, specifications, or data are permitted to be prepared by persons other than registered architects pursuant to division (C) or (D) of section 4703.18 of the Revised Code, or by persons other than registered engineers pursuant to division (C) or (D) of section 4733.18 of the Revised Code.

(b) No seal is required for any plans, drawings, specifications, or data submitted for approval for any residential buildings, as defined in section 3781.06 of the Revised Code, or erected as industrialized one-, two-, or three-family units or structures within the meaning of "industrialized unit" as defined in section 3781.06 of the Revised Code.

(c) No seal is required for approval of the installation of replacement equipment or systems that are similar in type or capacity to the equipment or systems being replaced. No seal is required for approval for any new construction, improvement, alteration, repair, painting, decorating, or other modification of any buildings or structures subject to sections 3781.06 to 3781.18 and 3791.04 of the Revised Code if the proposed work does not involve technical design analysis, as defined by rule adopted by the board of building standards.

(B) No owner shall proceed with the construction, erection, alteration, or equipment of any building until the plans or drawings, specifications, and data have been approved as this section requires, or the industrialized unit inspected at the point of origin. No plans or specifications shall be approved or inspection approval given unless the building represented would, if constructed, repaired, erected, or equipped, comply with Chapters 3781. and 3791. of the Revised Code and any rule made under those chapters.

(C) The approval of plans or drawings and specifications or data pursuant to this section is invalid if construction, erection, alteration, or other work upon the building has not commenced within twelve months of the approval of the plans or drawings and specifications. One extension shall be granted for an additional twelve-month period if the owner requests at least ten days in advance of the expiration of the permit and upon payment of a fee not to exceed one

hundred dollars. If in the course of construction, work is delayed or suspended for more than six months, the approval of plans or drawings and specifications or data is invalid. Two extensions shall be granted for six months each if the owner requests at least ten days in advance of the expiration of the permit and upon payment of a fee for each extension of not more than one hundred dollars. Before any work may continue on the construction, erection, alteration, or equipment of any building for which the approval is invalid, the owner of the building shall resubmit the plans or drawings and specifications for approval pursuant to this section.

(D) Subject to section 3791.042 of the Revised Code, the board of building standards or the legislative authority of a municipal corporation, township, or county, by rule, may regulate the requirements for the submission of plans and specifications to the respective enforcing departments and for processing by those departments. The board of building standards or the legislative authority of a municipal corporation, township, or county may adopt rules to provide for the approval, subject to section 3791.042 of the Revised Code, by the department having jurisdiction of the plans for construction of a foundation or any other part of a building or structure before the complete plans and specifications for the entire building or structure are submitted. When any plans are approved by the department having jurisdiction, the structure and every particular represented by and disclosed in those plans shall, in the absence of fraud or a serious safety or sanitation hazard, be conclusively presumed to comply with Chapters 3781. and 3791. of the Revised Code and any rule issued pursuant to those chapters, if constructed, altered, or repaired in accordance with those plans and any rule in effect at the time of approval.

(E) The approval of plans and specifications, including inspection of industrialized units, under this section is a "license" and the failure to approve plans or specifications as submitted or to inspect the unit at the point of origin within thirty days after the plans or specifications are filed or the request to inspect the industrialized unit is made, the disapproval of plans and specifications, or the refusal to approve an industrialized unit following inspection at the point of origin is "an adjudication order denying the issuance of a license" requiring an "adjudication hearing" as provided by sections 119.07 to 119.13 of the Revised Code and as modified by sections 3781.031 and 3781.19 of the Revised Code. An adjudication order denying the issuance of a license shall specify the reasons for that denial.

(F) The board of building standards shall not require the submission of site preparation plans or plot plans to the division of ~~industrial compliance~~ labor when industrialized units are used exclusively as one-, two-, or three-family dwellings.

(G) Notwithstanding any procedures the board establishes, if the agency having jurisdiction objects to any portion of the plans or specifications, the owner or the owner's representative may request the agency to issue conditional approval to proceed with construction up to the point of the objection. Approval

shall be issued only when the objection results from conflicting interpretations of the rules of the board of building standards rather than the application of specific technical requirements of the rules. Approval shall not be issued where the correction of the objection would cause extensive changes in the building design or construction. The giving of conditional approval is a "conditional license" to proceed with construction up to the point where the construction or materials objected to by the agency are to be incorporated into the building. No construction shall proceed beyond that point without the prior approval of the agency or another agency that conducts an adjudication hearing relative to the objection. The agency having jurisdiction shall specify its objections to the plans or specifications, which is an "adjudication order denying the issuance of a license" and may be appealed pursuant to sections 119.07 to 119.13 of the Revised Code and as modified by sections 3781.031 and 3781.19 of the Revised Code.

(H) A certified municipal, township, or county building department having jurisdiction, or the superintendent ~~of the division of industrial compliance~~, as appropriate, shall review any plans, drawings, specifications, or data described in this section that are submitted to it or to the superintendent.

(I) No owner or persons having control as an officer, or as a member of a board or committee, or otherwise, of a building to which section 3781.06 of the Revised Code is applicable, and no architect, designer, engineer, builder, contractor, subcontractor, or any officer or employee of a municipal, township, or county building department shall violate this section.

(J) Whoever violates this section shall be fined not more than five hundred dollars.

Sec. 3791.05. No owner, lessee, agent, factor, architect, or contractor engaged in and having supervision or charge of the building, erection, or construction of a block, building, or structure, shall neglect or refuse to place or have placed upon the joists of each story thereof, as soon as joists are in position, counter floors of such quality and strength as to render perfectly safe the going to and from thereon of all mechanics, laborers, and other persons engaged upon the work of construction or supervision, or in placing materials for such construction.

Whoever violates this section shall be fined not less than twenty-five nor more than two hundred dollars.

Each day that such person neglects or refuses to have such counter floors so placed, after notice is given by a building inspector, a chief inspector, or deputy inspector of the city building inspection department in cities where such department is organized, or by the superintendent of ~~the division of industrial compliance~~ labor of the state, in cities where such departments are not organized, or from a person whose life or personal safety may be endangered by such neglect or refusal, is a separate offense.

Sec. 3791.07. (A) The board of building standards may establish such

reasonable inspection fee schedules as it determines necessary or desirable relating to the inspection of all plans and specifications submitted for approval to the division of ~~industrial compliance~~ labor, and all industrialized units inspected at the point of origin and at the construction site of the building. The inspection fee schedule established shall bear some reasonable relationship to the cost of administering and enforcing the provisions of Chapters 3781. and 3791. of the Revised Code.

(B) In addition to the fee assessed in division (A) of this section, the board shall assess a fee of not more than five dollars for each application for acceptance and approval of plans and specifications and for making inspections pursuant to section 3791.04 of the Revised Code. The board shall adopt rules, in accordance with Chapter 119. of the Revised Code, specifying the manner by which the superintendent of ~~the division of industrial compliance~~ labor shall collect and remit to the board the fees assessed under this division and requiring that remittance of the fees be made at least quarterly.

(C) Any person who fails to pay an inspection fee required for any inspection conducted by the department of commerce pursuant to Chapters 3781. and 3791. of the Revised Code, except for fees charged for the inspection of plans and specifications, within forty-five days after the inspection is conducted, shall pay a late payment fee equal to twenty-five per cent of the inspection fee.

(D) The board shall pay the fees assessed under this section into the state treasury to the credit of the ~~industrial compliance~~ labor operating fund created in section 121.084 of the Revised Code."

Between lines 60727 and 60728, insert:

"**Sec. 4104.01.** As used in sections 4104.01 to 4104.20 and section 4104.99 of the Revised Code:

(A) "Board of building standards" or "board" means the board established by section 3781.07 of the Revised Code.

(B) "Superintendent" means the superintendent of ~~the division of industrial compliance~~ labor created by section 121.04 of the Revised Code.

(C) "Boiler" means a closed vessel in which water is heated, steam is generated, steam is superheated, or any combination thereof, under pressure or vacuum for use externally to itself by the direct application of heat from the combustion of fuels, or from electricity or nuclear energy. "Boiler" includes fired units for heating or vaporizing liquids other than water where these units are separate from processing systems and are complete within themselves.

(D) "Power boiler" means a boiler in which steam or other vapor (to be used externally to itself) is generated at a pressure of more than fifteen psig.

(E) "High pressure, high temperature water boiler" means a water heating boiler operating at pressures exceeding one hundred sixty psig or temperatures exceeding two hundred fifty degrees Fahrenheit.

(F) "Low pressure boiler" means a steam boiler operating at pressures not exceeding fifteen psig, or a hot water heating boiler operating at pressures not exceeding one hundred sixty psig or temperatures not exceeding two hundred fifty degrees Fahrenheit.

(G) "Pressure vessel" means a container for the containment of pressure, either internal or external. This pressure may be obtained from an external source or by the application of heat from a direct or indirect source or any combination thereof.

(H) "Process boiler" means a boiler to which all of the following apply:

(1) The steam in the boiler is either generated or superheated, or both, under pressure or vacuum for use external to itself.

(2) The source of heat for the boiler is in part or in whole from a process other than the boiler itself.

(3) The boiler is part of a continuous processing unit, such as used in chemical manufacture or petroleum refining, other than a steam-generated process unit.

(I) "Stationary steam engine" means an engine or turbine in which the mechanical force arising from the elasticity and expansion action of steam or from its property of rapid condensation or from a combination of the two is made available as a motive power.

Sec. 4104.02. The board of building standards shall:

(A) Formulate rules for the construction, installation, repair, conservation of energy, and operation of boilers and the construction and repair of pressure vessels and for ascertaining the safe working pressures to be carried on such boilers and pressure vessels and the qualification of inspectors of boilers and pressure vessels;

(B) Prescribe tests, if it is considered necessary, to ascertain the qualities of materials used in the construction of boilers and pressure vessels;

(C) Adopt rules regulating the construction and sizes of safety valves for boilers and pressure vessels of different sizes and pressures, for the construction, use, and location of fusible plugs, appliances for indicating the pressure of steam and level of water in the boiler or pressure vessels, and such other appliances as the board considers necessary to safety in operating boilers;

(D) Establish reasonable fees for the performance of reviews, surveys, or audits of manufacturer's facilities by the division of ~~industrial compliance~~ labor for certification by the American society of mechanical engineers and the national board of boiler and pressure vessel inspectors;

(E) The definitions and rules adopted by the board for the construction, installation, repair, conservation of energy, and operation of boilers and the construction and repair of pressure vessels and for ascertaining the safe working

pressures to be used on such boilers and pressure vessels shall be based upon and follow generally accepted engineering standards, formulae, and practices established and pertaining to boilers and pressure vessel construction, operation, and safety, and the board may, for this purpose, adopt existing published standards as well as amendments thereto subsequently published by the same authority.

When a person desires to manufacture a special type of boiler or pressure vessel, the design of which is not covered by the rules of the board, the person shall submit drawings and specifications of such boiler or pressure vessel to the board for investigation, after which the board may permit its installation.

The provisions of sections 119.03 and 119.11 of the Revised Code in particular, and the applicable provisions of Chapter 119. of the Revised Code in general, shall govern the proceedings of the board of building standards in adopting, amending, or rescinding rules pursuant to this section.

Sec. 4104.06. (A) The inspection of boilers and their appurtenances and pressure vessels shall be made by the inspectors mentioned in sections 4104.07 to 4104.20 of the Revised Code. The superintendent of ~~industrial compliance~~ labor shall administer and enforce such sections and rules adopted by the board of building standards pursuant to section 4104.02 of the Revised Code.

(B) The superintendent shall adopt, amend, and repeal rules exclusively for the issuance, renewal, suspension, and revocation of certificates of competency and certificates of operation, for conducting hearings in accordance with Chapter 119. of the Revised Code related to these actions, and for the inspection of boilers and their appurtenances, and pressure vessels.

(C) Notwithstanding division (B) of this section, the superintendent shall not adopt rules relating to construction, maintenance, or repair of boilers and their appurtenances, or repair of pressure vessels.

(D) The superintendent and each general inspector may enter any premises and any building or room at all reasonable hours to perform an examination or inspection."

In line 60731, strike through "industrial compliance" and insert " labor"

In line 60733, strike through "industrial compliance" and insert " labor"

Between lines 60749 and 60750, insert:

"**Sec. 4104.08.** (A) The director of commerce may appoint from the holders of certificates of competency provided for in section 4104.07 of the Revised Code, general inspectors of boilers and pressure vessels.

(B) Any company authorized to insure boilers and pressure vessels against explosion in this state may designate from holders of certificates of competency issued by the superintendent of ~~industrial compliance~~ labor, or holders of certificates of competency or commissions issued by other states or nations whose examinations for certificates or commissions have been approved

by the board of building standards, persons to inspect and stamp boilers and pressure vessels covered by the company's policies, and the superintendent shall issue to such persons commissions authorizing them to act as special inspectors. Special inspectors shall be compensated by the company designating them.

(C) The director ~~of commerce~~ shall establish an annual fee to be charged by the superintendent for each certificate of competency or commission the superintendent issues.

(D) The superintendent shall issue to each general or special inspector a commission to the effect that the holder thereof is authorized to inspect boilers and pressure vessels in this state.

(E) No person shall be authorized to act as a general inspector or a special inspector who is directly or indirectly interested in the manufacture or sale of boilers or pressure vessels.

Sec. 4104.09. The certificate of competency issued under section 4104.07 of the Revised Code or the commission provided for in section 4104.08 of the Revised Code may be revoked by the superintendent of ~~industrial compliance~~ labor for the incompetence or untrustworthiness of the holder thereof, or for willful falsification of any matter or statement contained in the holder's application or in a report of any inspection in accordance with Chapter 119 . of the Revised Code. If a certificate or commission is lost or destroyed, a new certificate or commission shall be issued in its place without another examination.

Sec. 4104.10. All unfired pressure vessels, except unfired pressure vessels exempt under section 4104.04 of the Revised Code, shall be thoroughly inspected during fabrication and upon completion and shall not be operated until a copy of the manufacturers' data report, properly executed and signed by the inspector is filed in the office of the superintendent of ~~industrial compliance~~ labor. All unfired pressure vessels shall conform in every detail with applicable rules adopted by the board of building standards pursuant to section 4104.02 of the Revised Code."

In line 60752, strike through "industrial compliance" and insert " labor"

In line 60759, strike through "industrial compliance" and insert " labor"

Between lines 60763 and 60764, insert:

"**Sec. 4104.12.** All boilers, except boilers mentioned in section 4104.04 of the Revised Code, shall be inspected when installed and shall not be operated until an appropriate certificate of operation has been issued by the superintendent of ~~the division of industrial compliance~~ labor. The certificate of operation required by this section shall not be issued for any boiler which has not been thoroughly inspected during construction and upon completion, by either a general or special inspector, and which does not conform in every detail with the rules adopted by the board of building standards and unless, upon completion, such boiler is distinctly stamped under such rules by such inspector.

Sec. 4104.15. (A) All certificates of inspection for boilers, issued prior to October 15, 1965, are valid and effective for the period set forth in such certificates unless sooner withdrawn by the superintendent of ~~industrial compliance~~ labor. The owner or user of any such boiler shall obtain an appropriate certificate of operation for such boiler, and shall not operate such boiler, or permit it to be operated unless a certificate of operation has been obtained in accordance with section 4104.17 of the Revised Code.

(B) If, upon making the internal and external inspection required under sections 4104.11, 4104.12, and 4104.13 of the Revised Code, the inspector finds the boiler to be in safe working order, with the fittings necessary to safety, and properly set up, upon the inspector's report to the superintendent, the superintendent shall issue to the owner or user thereof, or renew, upon application and upon compliance with sections 4104.17 and 4104.18 of the Revised Code, a certificate of operation which shall state the maximum pressure at which the boiler may be operated, as ascertained by the rules of the board of building standards. Such certificates shall also state the name of the owner or user, the location, size, and number of each boiler, and the date of issuance, and shall be so placed as to be easily read in the engine room or boiler room of the plant where the boiler is located, except that the certificate of operation for a portable boiler shall be kept on the premises and shall be accessible at all times.

(C) If an inspector at any inspection finds that the boiler or pressure vessel is not in safe working condition, or is not provided with the fittings necessary to safety, or if the fittings are improperly arranged, the inspector shall immediately notify the owner or user and person in charge of the boiler and shall report the same to the superintendent who may revoke, suspend, or deny the certificate of operation and not renew the same until the boiler or pressure vessel and its fittings are put in condition to insure safety of operation, and the owner or user shall not operate the boiler or pressure vessel, or permit it to be operated until such certificate has been granted or restored.

(D) If the superintendent or a general boiler inspector finds that a pressure vessel or boiler or a part thereof poses an explosion hazard that reasonably can be regarded as posing an imminent danger of death or serious physical harm to persons, the superintendent or the general boiler inspector shall seal the pressure vessel or boiler and order, in writing, the operator or owner of the pressure vessel or boiler to immediately cease the pressure vessel's or boiler's operation. The order shall be effective until the nonconformities are eliminated, corrected, or otherwise remedied, or for a period of seventy-two hours from the time of issuance, whichever occurs first. During the seventy-two-hour period, the superintendent may request that the prosecuting attorney or city attorney of Franklin county or of the county in which the pressure vessel or boiler is located obtain an injunction restraining the operator or owner of the pressure vessel or boiler from continuing its operation after the seventy-two-hour period expires until the nonconformities are eliminated, corrected, or otherwise remedied.

(E) Each boiler which has been inspected shall be assigned a number by

the superintendent, which number shall be stamped on a nonferrous metal tag affixed to the boiler or its fittings by seal or otherwise. No person except an inspector shall deface or remove any such number or tag.

(F) If the owner or user of any pressure vessel or boiler disagrees with the inspector as to the necessity for shutting down a pressure vessel or boiler or for making repairs or alterations in it, or taking any other measures for safety that are requested by an inspector, the owner or user may appeal from the decision of the inspector to the superintendent, who may, after such other inspection by a general inspector or special inspector as the superintendent deems necessary, decide the issue.

(G) Neither sections 4104.01 to 4104.20 of the Revised Code, nor an inspection or report by any inspector, shall relieve the owner or user of a pressure vessel or boiler of the duty of using due care in the inspection, operation, and repair of the pressure vessel or boiler or of any liability for damages for failure to inspect, repair, or operate the pressure vessel or boiler safely.

Sec. 4104.16. The owner or user of any boiler required by sections 4104.01 to 4104.20 of the Revised Code, to be inspected, shall immediately notify the superintendent of ~~the division of industrial compliance~~ labor in case a defect affecting the safety of the boiler is discovered.

The owner or user of any stationary boiler required by such sections to be inspected, who moves the same, shall report to the superintendent the new location of the boiler. Such boiler shall be inspected before it is again operated.

Sec. 4104.17. Certificates of operation issued for boilers subject to inspection under Chapter 4104. of the Revised Code shall be issued and renewed in accordance with and at dates prescribed by rules and regulations adopted by the superintendent of ~~industrial compliance~~ labor."

In line 60769, strike through "industrial compliance" and insert " labor"

In line 60798, strike through "industrial compliance" and insert " labor"

In line 60802, strike through "industrial compliance" and insert " labor

Between lines 60814 and 60815, insert:

"**Sec. 4104.19.** (A) Any person seeking a license to operate as a steam engineer, high pressure boiler operator, or low pressure boiler operator shall file a written application with the superintendent of ~~industrial compliance~~ labor on a form prescribed by the superintendent with the appropriate application fee as set forth in section 4104.18 of the Revised Code. The application shall contain information satisfactory to the superintendent to demonstrate that the applicant meets the requirements of division (B) of this section. The application shall be filed with the superintendent not more than sixty days and not less than thirty days before the license examination is offered.

(B) To qualify to take the examination required to obtain a steam

engineer, high pressure boiler operator, or low pressure boiler operator license, a person shall meet both of the following requirements:

(1) Be at least eighteen years of age;

(2) Have one year of experience in the operation of steam engines, high pressure boilers, or low pressure boilers as applicable to the type of license being sought, or a combination of experience and education for the type of license sought as determined to be acceptable by the superintendent.

(C) No applicant shall qualify to take an examination or to renew a license if the applicant has violated this chapter or if the applicant has obtained or renewed a license issued under this chapter by fraud, misrepresentation, or deception.

(D) The superintendent shall issue a license to each applicant who receives a passing score on the examination, as determined by the superintendent, for the license for which the applicant applied.

(E) The superintendent may select and contract with one or more persons to do all of the following relative to the examinations for a license to operate as a steam engineer, high pressure boiler operator, or low pressure boiler operator:

(1) Prepare, administer, score, and maintain the confidentiality of the examination;

(2) Maintain responsibility for all expenses required to fulfill division (E)(1) of this section;

(3) Charge each applicant a fee for administering the examination, in an amount authorized by the superintendent;

(4) Design the examination for each type of license to determine an applicant's competence to operate the equipment for which the applicant is seeking licensure.

(F) Each license issued under this chapter expires one year after the date of issue. Each person holding a valid, unexpired license may renew the license, without reexamination, by applying to the superintendent not more than ninety days before the expiration of the license, and submitting with the application the renewal fee established in section 4104.18 of the Revised Code. Upon receipt of the renewal information and fee, the superintendent shall issue the licensee a certificate of renewal.

(G) The superintendent, in accordance with Chapter 119. of the Revised Code, may suspend or revoke any license, or may refuse to issue a license under this chapter upon finding that a licensee or an applicant for a license has violated or is violating the requirements of this chapter.

Sec. 4104.21. On receipt of a notice pursuant to section 3123.43 of the Revised Code, the superintendent of ~~industrial compliance~~ labor shall comply with sections 3123.41 to 3123.50 of the Revised Code and any applicable rules

adopted under section 3123.63 of the Revised Code with respect to a certificate or license issued pursuant to this chapter.

Sec. 4104.33. There is hereby created the historical boilers licensing board consisting of seven members, three of whom shall be appointed by the governor with the advice and consent of the senate. The governor shall make initial appointments to the board within ninety days after ~~the effective date of this section~~ October 24, 2002. Of the initial members appointed by the governor, one shall be for a term ending three years after ~~the effective date of this section~~ October 24, 2002, one shall be for a term ending four years after ~~the effective date of this section~~ October 24, 2002, and one shall be for a term ending five years after ~~the effective date of this section~~ October 24, 2002. Thereafter, terms of office shall be for five years, each term ending on the same day of the same month of the year as did the term that it succeeds. Of the three members the governor appoints, one member shall be an employee of the division of boiler inspection in the department of commerce; one member shall be an independent mechanical engineer who is not involved in selling or inspecting historical boilers; and one shall be an active member of an association that represents managers of fairs or festivals.

Two members of the board shall be appointed by the president of the senate and two members of the board shall be appointed by the speaker of the house of representatives. The president and speaker shall make initial appointments to the board within ninety days after ~~the effective date of this section~~ October 24, 2002. Of the initial members appointed by the president, one shall be for a term ending four years after ~~the effective date of this section~~ October 24, 2002 and one shall be for a term ending five years after ~~the effective date of this section~~ October 24, 2002. Of the initial members appointed by the speaker, one shall be for a term ending three years after ~~the effective date of this section~~ October 24, 2002 and one shall be for a term ending five years after ~~the effective date of this section~~ October 24, 2002. Thereafter, terms of office shall be for five years, each term ending on the same day of the same month of the year as did the term that it succeeds. Of the four members appointed by the president and speaker, each shall own a historical boiler and also have at least ten years of experience in the operation of historical boilers, and each of these four members shall reside in a different region of the state.

Each member shall hold office from the date of the member's appointment until the end of the term for which the member was appointed. Members may be reappointed. Vacancies shall be filled in the manner provided for initial appointments. Any member appointed to fill a vacancy occurring prior to the expiration date of the term for which the member's predecessor was appointed shall hold office as a member for the remainder of that term. A member shall continue in office subsequent to the expiration date of the member's term until the successor takes office or until a period of sixty days has elapsed, whichever occurs first.

The members of the board, annually, shall elect, by majority vote, a chairperson from among their members. The board shall meet at least once

annually and at other times at the call of the chairperson. Board members shall receive their actual and necessary expenses incurred in the discharge of their duties as board members.

The superintendent of ~~the division of industrial compliance~~ labor shall furnish office space, staff, and supplies to the board as the superintendent determines are necessary for the board to carry out its official duties under sections 4104.33 to 4104.37 of the Revised Code.

Sec. 4104.42. (A) The owner of any power piping or process piping system shall ensure that all of the following are performed in compliance with applicable sections of the B31 standards contained in the code for pressure piping, published by the American society of mechanical engineers:

(1) The design, fabrication, assembly, installation, testing, examination, and inspection of power and process piping systems;

(2) Qualification of personnel and qualification of welding and brazing procedures;

(3) The implementation of an inspection program.

(B) The owner of a power piping or process piping system shall do both of the following:

(1) Maintain for five years complete records documenting the design, examination, and testing of the piping system that include all of the following:

(a) The specific edition of the code for pressure piping used in the design;

(b) The design assumptions;

(c) The calculations, piping material specifications, and construction documents for the piping;

(d) The records of piping alterations;

(e) The piping examination and inspection records.

(2) Disclose the types and quantities of flammable, combustible, or hazardous materials proposed to be used in the facility to the building and fire code enforcement authorities who have inspection authority to enable those authorities to determine compliance with the rules the board of building standards adopts pursuant to section 3781.10 of the Revised Code and the rules the state fire marshal adopts pursuant to section 3737.82 of the Revised Code.

(C) No person or state agency shall require that the records described in division (B)(1) of this section be submitted to the division of ~~industrial compliance~~ labor in the department of commerce or to a certified building department for approval.

(D) Nothing in this section limits the application of Chapters 4703. and 4733. of the Revised Code.

Sec. 4104.43. (A)(1) The board of building standards shall adopt rules establishing requirements for the design, installation, inspection of and design review procedure for building services piping.

(2) The board of building standards shall adopt rules establishing requirements for the design, installation, inspection of and design review procedure for nonflammable medical gas, medical oxygen, and medical vacuum piping systems.

(B) A municipal, township, or county building department certified under division (E) of section 3781.10 of the Revised Code shall enforce the rules the board adopts pursuant to division (A)(2) of this section if that building department requests and obtains special certification to enforce those rules.

(C) In a health district where no municipal, township, or county building department is specially certified under division (B) of this section, an employee of the health district shall enforce the rules adopted pursuant to division (A)(2) of this section if both of the following conditions are satisfied:

(1) The health district employee requests and obtains special certification by the board to enforce those rules.

(2) The health district notifies the superintendent of the division of ~~industrial compliance~~ labor in the department of commerce that the health district's specially certified employee shall enforce those rules.

(D) In a jurisdiction where enforcement authority as described in divisions (B) and (C) of this section does not exist, the superintendent of ~~the division of industrial compliance~~ labor shall enforce the rules the board adopts pursuant to division (A)(2) of this section.

Sec. 4104.44. All welding and brazing of metallic piping systems shall be performed in accordance with section IX of the boiler and pressure vessel code, published by the American society of mechanical engineers. The owner shall maintain, at the job site, the certified performance qualification records of all welders and brazers employed at the facility. The owner shall submit copies of all certified welding and brazing procedure specifications, procedure qualification records, and performance qualification records for building services piping for review to the superintendent of ~~the division of industrial compliance~~ labor in the department of commerce in accordance with rules the superintendent adopts. The submission shall be accompanied by the fee the superintendent establishes.

Sec. 4104.48. (A) No person shall violate sections 4104.41 to 4104.48 of the Revised Code, fail to perform any duty lawfully enjoined in connection with those sections, or fail to comply with any order issued by the superintendent of ~~the division of industrial compliance~~ labor or any judgment or decree issued by any court in connection with the enforcement of sections 4104.41 to 4104.48 of the Revised Code.

(B) Every day during which a person violates sections 4104.41 to

4104.48 of the Revised Code, fails to perform any duty lawfully enjoined in connection with those sections, or fails to comply with any order issued by the superintendent ~~of the division of industrial compliance~~ or any judgment or decree issued by any court in connection with the enforcement of sections 4104.41 to 4104.48 of the Revised Code constitutes a separate offense.

Sec. 4105.01. As used in this chapter:

(A) "Elevator" means a hoisting and lowering apparatus equipped with a car, cage, or platform which moves on or between permanent rails or guides and serves two or more fixed landings in a building or structure to which section 3781.06 of the Revised Code applies. "Elevator" includes dumb-waiters other than hand-powered dumb-waiters, escalators, ~~manlifts~~ peoplelifts, moving walks, of the endless belt type, other lifting or lowering apparatus permanently installed on or between rails or guides, and all equipment, machinery, and construction related to any elevator; but does not include construction hoists and other similar temporary lifting or lowering apparatuses, ski lifts, traveling, portable amusement rides or devices that are not affixed to a permanent foundation, or nonportable amusement rides or devices that are affixed to a permanent foundation.

(B) "Passenger elevator" means an elevator that is designed to carry persons to its contract capacity.

(C) "Freight elevator" means an elevator normally used for carrying freight and on which only the operator and employees in the pursuit of their duties, by the permission of the employer, are allowed to ride.

(D) "Gravity elevator" means an elevator utilizing gravity to move.

(E) "General inspector" means a state inspector examined and hired to inspect elevators and lifting apparatus for that state.

(F) "Special inspector" means an inspector examined and commissioned by the superintendent of ~~the division of industrial compliance~~ labor to inspect elevators and lifting apparatus in the state.

(G) "Inspector" means either a general or special inspector.

Sec. 4105.02. No person may act, either as a general inspector or as a special inspector, of elevators, unless ~~he~~ the person holds a certificate of competency from the division of ~~industrial compliance~~ labor.

Application for examination as an inspector of elevators shall be in writing, accompanied by a fee to be established as provided in section 4105.17 of the Revised Code, and upon a blank to be furnished by the division, stating the school education of the applicant, a list of ~~his~~ the applicant's employers, ~~his~~ the applicant's period of employment, and the position held with each. An applicant shall also submit a letter from one or more of ~~his~~ the applicant's previous employers certifying as to ~~his~~ the applicant's character and experience.

Applications shall be rejected which contain any willful falsification or

untruthful statements. An applicant, if the division considers ~~his~~ the applicant's history and experience sufficient, shall be examined by the superintendent of ~~the division of industrial compliance~~ labor by a written examination dealing with the construction, installation, operation, maintenance, and repair of elevators and their appurtenances, and the applicant shall be accepted or rejected on the merits of ~~his~~ the applicant's application and examination.

The superintendent shall issue a certificate of competency in the inspection of elevators to any applicant found competent upon examination. A rejected applicant shall be entitled, after the expiration of ninety days and upon payment of an examination fee to be established as provided in section 4105.17 of the Revised Code, to another examination. Should an applicant fail to pass the prescribed examination on second trial, ~~he~~ the applicant will not be permitted to be an applicant for another examination for a period of one year after the second examination.

Sec. 4105.03. The superintendent of ~~the division of industrial compliance~~ labor, with the consent of the director of commerce, shall hire an assistant who has at least ten years of experience in the construction, installation, maintenance, and repair of elevators and their appurtenances.

The superintendent, with the consent of the director ~~of commerce~~, and in compliance with Chapter 124. of the Revised Code, may appoint and hire general inspectors of elevators from the holders of certificates of competency.

Sec. 4105.04. From the holders of certificates of competency in the inspection of elevators, any company that is authorized to insure elevators in the state, may designate persons to inspect elevators covered by such company's policies, and the department of public safety of any city and the clerk of any village may designate persons to inspect elevators in such city or village. Such persons shall, upon the payment of a fee to be established as provided in section 4105.17 of the Revised Code, have issued to them annually by the division of ~~industrial compliance~~ labor, commissions to serve as special inspectors of elevators in the state.

Sec. 4105.05. A commission to serve as a special inspector may be suspended or revoked by the superintendent of ~~the division of industrial compliance~~ labor, for the incompetence or untrustworthiness of the holder thereof, or for the falsification of any matter or statement contained in ~~his~~ the holder's application or in a report of any inspection.

Sec. 4105.06. If a certificate or commission issued under sections 4105.02 and 4105.04 of the Revised Code is lost or destroyed a new one shall be issued in its place by the division of ~~industrial compliance~~ labor without another examination, upon the payment of a fee to be established as provided in section 4105.07 of the Revised Code.

Sec. 4105.09. The owner or user of any elevator shall register, with the division of ~~industrial compliance~~ labor, every elevator operated by ~~him~~ the owner or user, giving the type, capacity, and description, name of manufacturer,

and purpose for which each is used. Such registration shall be made on a form to be furnished by the division.

Sec. 4105.11. The inspection of elevators shall be made by the inspectors authorized in sections 4105.03 and 4105.04 of the Revised Code, under the supervision of the superintendent of ~~the division of industrial compliance~~ labor, and the superintendent shall enforce this chapter and any rules adopted pursuant thereto.

Every inspector shall forward to the superintendent a full and complete report of each inspection made of any elevator and shall, on the day the inspection is completed, leave a copy of such report with the owner or operator of the elevator, or ~~his~~ the owner's or operator's agent or representative. Such report shall indicate the exact condition of the elevator and shall list any and all of the provisions of this chapter and any rules adopted pursuant thereto, with which the elevator does not comply. Before attempting to enforce, by any remedy, civil or criminal, the provisions with which the inspected elevator does not comply, the chief shall issue an adjudication order within the meaning of Chapter 119. of the Revised Code.

The approval of construction plans, or an application of specifications under section 4105.16 of the Revised Code is a license, and the failure to approve such plans or specifications by the chief within sixty days after they are filed is an adjudication order denying the issuance of a license.

Every adjudication order shall specify what appliances, site preparations, additions, repairs, or alterations to any elevators, plans, materials, assemblages, or procedures are necessary for the same to comply with this chapter, or any rules adopted pursuant thereto. Such adjudication order shall be issued pursuant to Chapter 119. of the Revised Code and shall be effective without prior hearing, within thirty days after the receipt of such order, the owner of the elevator specified therein may appeal to the board of building appeals under section 3781.19 of the Revised Code.

Notwithstanding the provisions of Chapter 119. of the Revised Code relating to adjudication hearings, a stenographic or mechanical record of the testimony and other evidence submitted before the board of building appeals shall be taken at the expense of the agency. A party adversely affected by an order issued following such adjudication hearing may appeal to the court of common pleas of the county in which ~~he~~ the party is a resident or in which the elevator affected by such order is located. The court in such case shall not be confined to the record as certified to it by the agency, but any party may produce additional evidence and the court shall hear the matter upon such record and such additional evidence as is introduced by any party. The court shall not affirm the order of the agency unless the preponderance of the evidence before it supports the reasonableness and lawfulness of such order, and of any rules upon which the order of the agency is based in its application to the facts involved in the appeal.

Failure to comply with the requirements of any order issued pursuant to

this section or the continued operation of any elevator after it has been sealed pursuant to section 4105.21 of the Revised Code is hereby declared a public nuisance.

Sec. 4105.12. (A) The superintendent of ~~the division of industrial compliance~~ labor shall adopt, amend, and repeal rules exclusively for the issuance, renewal, suspension, and revocation of certificates of competency and certificates of operation, for the conduct of hearings related to these actions, and for the inspection of elevators.

(B) Notwithstanding division (A) of this section, the superintendent shall not adopt rules relating to construction, maintenance, and repair of elevators.

Sec. 4105.13. Every elevator shall be constructed, equipped, maintained, and operated, with respect to the supporting members, elevator car, shaftways, guides, cables, doors, and gates, safety stops and mechanism, electrical apparatus and wiring, mechanical apparatus, counterweights, and all other appurtenances, in accordance with state laws and rules as are authorized in respect thereto. Where reasonable safety is obtained without complying to the literal requirements of such rules as in cases of practical difficulty or unnecessary hardship, the literal requirements of such rules shall not be required. The superintendent of ~~the division of industrial compliance~~ labor may permit the installation of vertical wheelchair lifts in public buildings to provide for handicapped accessibility where such lifts do not meet the literal requirements of the rules adopted by the board of building standards pursuant to section 4105.011 of the Revised Code, provided that reasonable safety may be obtained.

Sec. 4105.15. No certificate of operation for any elevator shall be issued by the director of commerce until such elevator has been inspected as required by this chapter. Certificates of operation shall be renewed by the owner or user of the elevator in accordance with rules adopted by the superintendent of ~~the division of industrial compliance~~ labor pursuant to section 4105.12 of the Revised Code.

Sec. 4105.16. Before any new installation of an elevator of permanent nature is erected or before any existing elevator is removed to and installed in a different location, an application of specifications in duplicate shall be submitted to the division of ~~industrial compliance~~ labor giving such information concerning the construction, installation, and operation of said elevator as the division may require on forms to be furnished by the division, together with complete construction plans in duplicate. In all cases where any changes or repairs are made which alter its construction of classification, grade or rated lifting capacity, except when made pursuant to a report of an inspector, an application of specifications in duplicate shall be submitted to the division, containing such information, or approval, except in those municipal corporations which maintain their own elevator inspection departments, in which event such specifications shall be submitted to the elevator department of the municipal corporation for its approval, and if approved, a permit for the erection or repair of such elevator shall be issued by the municipal corporation. Upon approval of

such application and construction plans, the superintendent of ~~industrial compliance~~ labor shall issue a permit for the erection or repair of such elevator. No new elevator shall be operated until completion in accordance with the approved plans and specifications, unless a temporary permit is granted by the division.

The final inspection, before operation, of a permanent, new or repaired elevator shall be made by a general inspector or a special inspector designated by the superintendent."

In line 60817, strike through "industrial compliance" and insert " labor"

In line 60826, strike through "industrial compliance" and insert " labor"

In line 60831, strike through "industrial compliance" and insert " labor

In line 60833, strike through the second "of"

In line 60834, strike through "industrial compliance"

In line 60840, strike through "of the division of industrial compliance"

In line 60844, strike through "of industrial compliance"

In line 60866, strike through "of industrial compliance"

In line 60874, strike through "industrial compliance" and insert " labor"

In line 60888, strike through "of industrial"

In line 60889, strike through "compliance"

Between lines 60897 and 60898, insert:

"**Sec. 4105.191.** Any person owning or operating any elevator subject to this chapter shall file a written report with the superintendent of ~~the division of industrial compliance~~ labor within seventy-two hours after the occurrence of any accident involving such elevator which results in death or bodily injury to any person.

Sec. 4105.20. No person shall violate any law relative to the operation, construction, maintenance, and repair of elevators. All fines collected for violation of this section shall be forwarded to the superintendent of ~~the division of industrial compliance~~ labor, who shall pay them into the state treasury to the credit of the ~~industrial compliance~~ labor operating fund created in section 121.084 of the Revised Code.

Sec. 4105.21. The superintendent of ~~the division of industrial compliance~~ labor shall enforce this chapter. If the superintendent or a general inspector of elevators finds that an elevator or a part thereof does not afford reasonable safety as required by section 4105.13 of the Revised Code, the superintendent or the general inspector may seal such elevator and post a notice thereon prohibiting further use of the elevator until the changes or alterations set forth in the notice have been made to the satisfaction of the superintendent or the inspector. The notice shall contain a statement that operators or passengers are subject to injury

by its continued use, a description of the alteration or other change necessary to be made in order to secure safety of operation, date of such notice, name and signature of the superintendent or inspector issuing the notice."

Between lines 61802 and 61803, insert:

"**Sec. 4169.02.** (A) For the purposes of regulating the construction, maintenance, mechanical operation, and inspection of passenger tramways that are associated with ski areas and of registering operators of passenger tramways in this state, there is hereby established in the division of ~~industrial compliance~~ labor in the department of commerce a ski tramway board to be appointed by the governor, with the advice and consent of the senate. The board shall consist of three members, one of whom shall be a public member who is an experienced skier and familiar with ski areas in this state, one of whom shall be a ski area operator actively engaged in the business of recreational skiing in this state, and one of whom shall be a professional engineer who is knowledgeable in the design or operation of passenger tramways.

Of the initial appointments, one member shall be appointed for a term of one year, one for a term of two years, and one for a term of three years. The member appointed to the term beginning on July 1, 1996, shall be appointed to a term ending on June 30, 1997; the member appointed to a term beginning on July 1, 1997, shall be appointed to a term ending on June 30, 1999; and the member appointed to a term beginning on July 1, 1998, shall be appointed to a term ending on June 30, 2001. Thereafter, each of the members shall be appointed for a term of six years. Each member shall hold office from the date of appointment until the end of the term for which the member was appointed. In the event of a vacancy, the governor, with the advice and consent of the senate, shall appoint a successor who shall hold office for the remainder of the term for which the successor's predecessor was appointed. A 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 board shall elect a chairperson from its members.

The governor may remove any member of the board at any time for misfeasance, nonfeasance, or malfeasance in office after giving the member a copy of the charges against the member and an opportunity to be heard publicly in person or by counsel in the member's defense. Any such act of removal by the governor is final. A statement of the findings of the governor, the reason for the governor's action, and the answer, if any, of the member shall be filed by the governor with the secretary of state and shall be open to public inspection.

Members of the board shall be paid two hundred fifty dollars for each meeting that the member attends, except that no member shall be paid or receive more than seven hundred fifty dollars for attending meetings during any calendar year. Each member shall be reimbursed for the member's actual and necessary expenses incurred in the performance of official board duties. The chairperson shall be paid two hundred fifty dollars annually in addition to any compensation the chairperson receives under this division for attending meetings and any other

compensation the chairperson receives for serving on the board.

The division shall provide the board with such offices and such clerical, professional, and other assistance as may be reasonably necessary for the board to carry on its work. The division shall maintain accurate copies of the board's rules as promulgated in accordance with division (B) of this section and shall keep all of the board's records, including business records, and inspection reports as well as its own records and reports. The cost of administering the board and conducting inspections shall be included in the budget of the division based on revenues generated by the registration fees established under section 4169.03 of the Revised Code.

(B) In accordance with Chapter 119. of the Revised Code, the board shall adopt and may amend or rescind rules relating to public safety in the construction, maintenance, mechanical operation, and inspection of passenger tramways. The rules shall be in accordance with established standards in the business of ski area operation, if any, and shall not discriminate in their application to ski area operators.

No person shall violate the rules of the board.

(C) The authority of the board shall not extend to any matter relative to the operation of a ski area other than the construction, maintenance, mechanical operation, and inspection of passenger tramways.

(D) A majority of the board constitutes a quorum and may perform and exercise all the duties and powers devolving upon the board.

Sec. 4169.03. (A) Before a passenger tramway operator may operate any passenger tramway in the state, the operator shall apply to the ski tramway board, on forms prepared by it, for registration by the board. The application shall contain an inventory of the passenger tramways that the applicant intends to operate and other information as the board may reasonably require and shall be accompanied by the following annual fees:

(1) Each aerial passenger tramway, five hundred dollars;

(2) Each skimobile, two hundred dollars;

(3) Each chair lift, two hundred dollars;

(4) Each J bar, T bar, or platter pull, one hundred dollars;

(5) Each rope tow, fifty dollars;

(6) Each wire rope tow, seventy-five dollars;

(7) Each conveyor, one hundred dollars.

When an operator operates an aerial passenger tramway, a skimobile, or a chair lift during both a winter and summer season, the annual fee shall be one and one-half the above amount for the respective passenger tramway.

(B) Upon payment of the appropriate annual fees in accordance with

division (A) of this section, the board shall issue a registration certificate to the operator. Each certificate shall remain in force until the thirtieth day of September next ensuing. The board shall renew an operator's certificate in accordance with the standard renewal procedure in Chapter 4745. of the Revised Code upon payment of the appropriate annual fees.

(C) Money received from the registration fees and from the fines collected pursuant to section 4169.99 of the Revised Code shall be paid into the state treasury to the credit of the ~~industrial compliance~~ labor operating fund created in section 121.084 of the Revised Code.

(D) No person shall operate a passenger tramway in this state unless the person has been registered by the board.

Sec. 4169.04. (A) The division of ~~industrial compliance~~ labor in the department of commerce shall make such inspection of the construction, maintenance, and mechanical operation of passenger tramways as the ski tramway board may reasonably require. The division may contract with other qualified engineers to make such inspection or may accept the inspection report by any qualified inspector of an insurance company authorized to insure passenger tramways in this state.

(B) If, as the result of an inspection, an employee of the division or other agent with whom the division has contracted finds that a violation of the board's rules exists or a condition in passenger tramway construction, maintenance, or mechanical operation exists that endangers public safety, the employee or agent shall make an immediate report to the board for appropriate investigation and order.

Sec. 4171.04. (A) Before a person may operate any roller skating rink in the state, the person shall:

(1) Apply to the superintendent of ~~the division of industrial compliance~~ labor in the department of commerce on forms designated by the superintendent for a certificate of registration;

(2) Provide an inventory of all the roller skating rinks that the applicant intends to operate, and any other information the superintendent may reasonably require on the application;

(3) Include with the application a registration fee of twenty-five dollars for each roller skating rink to be operated by the applicant.

(B) Upon compliance with division (A) of this section, the superintendent shall issue a certificate of registration to the operator for each roller skating rink to be operated by the applicant. Each certificate shall remain in force as follows:

(1) Until the thirty-first day of December next ensuing; or

(2) For sixty days after the dissolution of a partnership.

(C) In case of the dissolution of a partnership by death, the surviving

partner or partners may operate a roller skating rink pursuant to the certificate of registration obtained by the partnership in accordance with this chapter for a period of sixty days following dissolution. The heirs or representatives of deceased persons and receivers or trustees in bankruptcy appointed by any competent authority may operate under the certificate of registration of the person succeeded in possession.

(D) The superintendent shall renew an operator's certificate of registration in accordance with the standard license renewal procedure set forth in Chapter 4745. of the Revised Code upon payment of a renewal fee of twenty-five dollars for each roller skating rink to be operated by the applicant.

(E) Money received from the registration and renewal fees collected pursuant to this chapter shall be paid into the state treasury to the credit of the ~~industrial compliance~~ labor operating fund created in section 121.084 of the Revised Code."

Between lines 69747 and 69748, insert:

"**Sec. 4740.03.** (A) The administrative section of the Ohio construction industry licensing board annually shall elect from among its members a chairperson and other officers as the board, by rule, designates. The chairperson shall preside over meetings of the administrative section or designate another member to preside in the chairperson's absence. The administrative section shall hold at least two regular meetings each year, but may meet at additional times as specified by rule, at the call of the chairperson, or upon the request of two or more members. A majority of the members of the administrative section constitutes a quorum for the transaction of all business. The administrative section may not take any action without the concurrence of at least three of its members.

(B)(1) The administrative section shall employ a secretary, who is not a member of the board, to serve at the pleasure of the administrative section, and shall fix the compensation of the secretary. The secretary shall be in the unclassified civil service of the state.

(2) The secretary shall do all of the following:

(a) Keep or set standards for and delegate to another person the keeping of the minutes, books, and other records and files of the board and each section of the board;

(b) Issue all licenses in the name of the board;

(c) Send out all notices, including advance notices of meetings of the board and each section of the board, and attend to all correspondence of the board and each section of the board, under the direction of the administrative section;

(d) Receive and deposit all fees payable pursuant to this chapter into the ~~industrial compliance~~ labor operating fund created pursuant to section 121.084

of the Revised Code;

(e) Perform all other duties incidental to the office of the secretary or properly assigned to the secretary by the administrative section of the board.

(3) Before entering upon the discharge of the duties of the secretary, the secretary shall file with the treasurer of state a bond in the sum of five thousand dollars, payable to the state, to ensure the faithful performance of the secretary's duties. The board shall pay the premium of the bond in the same manner as it pays other expenditures of the board.

(C) Upon the request of the administrative section of the board, the director of commerce shall supply the board and its sections with personnel, office space, and supplies, as the director determines appropriate. The administrative section of the board shall employ any additional staff it considers necessary and appropriate.

(D) The chairperson of the board or the secretary, or both, as authorized by the board, shall approve all vouchers of the board.

Sec. 4740.11. The Ohio construction industry licensing board and its sections shall deposit all receipts and fines collected under this chapter into the state treasury to the credit of the ~~industrial compliance~~ labor operating fund created in section 121.084 of the Revised Code."

In line 69852, strike through "industrial"

In line 69853, strike through "compliance" and insert " labor"

Between lines 74347 and 74348, insert:

"**Sec. 5104.051.** (A)(1) The department of commerce is responsible for the inspections of child day-care centers as required by division (A)(1) of section 5104.05 of the Revised Code. Where there is a municipal, township, or county building department certified under section 3781.10 of the Revised Code to exercise enforcement authority with respect to the category of building occupancy which includes day-care centers, all inspections required under division (A)(1) of section 5104.05 of the Revised Code shall be made by that department according to the standards established by the board of building standards. Inspections in areas of the state where there is no municipal, township, or county building department certified under section 3781.10 of the Revised Code to exercise enforcement authority with respect to the category of building occupancy which includes day-care centers shall be made by personnel of the department of commerce. Inspections of centers shall be contingent upon payment of a fee by the applicant to the department having jurisdiction to inspect.

(2) The department of commerce is responsible for the inspections of type A family day-care homes as required by division (B)(3) of section 5104.05 of the Revised Code. Where there is a municipal, township, or county building department certified under section 3781.10 of the Revised Code to exercise enforcement authority with respect to the category of building occupancy which

includes type A homes, all inspections required under division (B)(3) of section 5104.05 of the Revised Code shall be made by that department according to the standards established by the board of building standards. Inspections in areas of the state where there is no municipal, township, or county building department certified under section 3781.10 of the Revised Code to exercise enforcement authority with respect to the category of building occupancy which includes type A homes shall be made by personnel of the department of commerce. Inspections of type A homes shall be contingent upon payment of a fee by the applicant to the department having jurisdiction to inspect.

(B) The state fire marshal is responsible for the inspections required by divisions (A)(2) and (B)(1) of section 5104.05 of the Revised Code. In municipal corporations and in townships outside municipal corporations where there is a fire prevention official, the inspections shall be made by the fire chief or the fire prevention official under the supervision of and according to the standards established by the state fire marshal. In townships outside municipal corporations where there is no fire prevention official, inspections shall be made by the employees of the state fire marshal.

(C) The state fire marshal shall enforce all statutes and rules pertaining to fire safety and fire prevention in child day-care centers and type A family day-care homes. In the event of a dispute between the state fire marshal and any other responsible officer under sections 5104.05 and 5104.051 of the Revised Code with respect to the interpretation or application of a specific fire safety statute or rule, the interpretation of the state fire marshal shall prevail.

(D) As used in this division, "licensor" has the same meaning as in section 3717.01 of the Revised Code.

The licensor for food service operations in the city or general health district in which the center is located is responsible for the inspections required under Chapter 3717. of the Revised Code.

(E) Any moneys collected by the department of commerce under this section shall be paid into the state treasury to the credit of the ~~industrial compliance~~ labor operating fund created in section 121.084 of the Revised Code."

In line 90800, after "121.07," insert "121.08, 121.083, 121.084,"

In line 90803, after "124.07," insert "124.11,"

In line 90843, after "3301.42," insert "3301.55,"

In line 90861, after "3702.94," insert "3703.01, 3703.03, 3703.04, 3703.05, 3703.06, 3703.07, 3703.08, 3703.10, 3703.21, 3703.99,"

In line 90862, after "3712.03," insert "3713.01, 3713.02, 3713.03, 3713.04, 3713.05, 3713.06, 3713.07, 3713.08, 3713.09, 3713.10,"

In line 90868, after "3721.02," insert "3721.071,"

In line 90869, after "3722.04," insert "3722.041,"

In line 90872, after "3737.71," insert "3743.04, 3743.25,"

In line 90874, after "3781.01," insert "3781.03,"; after "3781.10," insert "3781.102, 3781.11,"; after "3781.19," insert "3783.05, 3791.02, 3791.04, 3791.05, 3791.07,"

In line 90876, after "3953.231," insert "4104.01, 4104.02, 4104.06,"

In line 90877, after "4104.07," insert "4104.08, 4104.09, 4104.10,"; after "4104.101," insert "4104.12, 4104.15, 4104.16, 4104.17,"; after "4104.18," insert "4104.19, 4104.21, 4104.33, 4104.42, 4104.43, 4104.44, 4104.48, 4105.01, 4105.02, 4105.03, 4105.04, 4105.05, 4105.06, 4105.09, 4105.11, 4105.12, 4105.13, 4105.15, 4105.16,"; after "4105.17," insert "4105.191, 4105.20, 4105.21,"

In line 90878, after "4141.162," insert "4169.02, 4169.03, 4169.04, 4171.04,"

In line 90892, after "4736.01," insert "4740.03, 4740.11,"

In line 90901, after "5104.041," insert "5104.051,"

Between lines 103156 and 103157, insert:

"**Section 515.___.** The Division of Labor and Worker Safety in the Department of Commerce and the Division of Industrial Compliance in the Department of Commerce are hereby abolished on the effective date of section 121.04 of the Revised Code, as amended by this act. The Division of Labor shall supersede the Division of Labor and Worker Safety and Division of Industrial Compliance, and the Superintendent of Labor shall supersede the Superintendent of Labor and Worker Safety and the Superintendent of Industrial Compliance. The Superintendent of Labor or Division of Labor, as applicable, shall succeed to and have and perform all the duties, powers, and obligations pertaining to the duties, powers, and obligations of the Superintendent and Division of Labor and Worker Safety and the Superintendent and Division of Industrial Compliance. For the purpose of the institution, conduct, and completion of matters relating to its succession, the Superintendent of Labor or the Division of Labor, as applicable, is deemed to be the continuation of and successor under law to the Superintendent and Division of Labor and Worker Safety or the Superintendent and Division of Industrial Compliance, as applicable. All rules, actions, determinations, commitments, resolutions, decisions, and agreements pertaining to those duties, powers, obligations, functions, and rights in force or in effect on the effective date of section 121.04 of the Revised Code, as amended by this act, shall continue in force and effect subject to any further lawful action thereon by the Superintendent or Division of Labor. Wherever the Superintendent of Labor and Worker Safety, Division of Labor and Worker Safety, Superintendent of Industrial Compliance, or Division of Industrial Compliance are referred to in any provision of law, or in any agreement or document that pertains to those duties, powers, obligations, functions, and rights, the reference is to the

Superintendent of Labor or Division of Labor, as appropriate.

All authorized obligations and supplements thereto of the Superintendent and Division of Labor and Worker Safety and the Superintendent and Division of Industrial Compliance pertaining to the duties, powers, and obligations transferred are binding on the Superintendent or Division of Labor, as applicable, and nothing in this act impairs the obligations or rights thereunder or under any contract. The abolition of the Division of Labor and Worker Safety and the Division of Industrial Compliance and the transfer of the duties, powers, and obligations of the Superintendent and Division of Labor and Worker Safety and the Superintendent and Division of Industrial Compliance do not affect the validity of agreements or obligations made by those superintendents or divisions pursuant to Chapters 121., 3703., 3781., 3791., 4104., 4105., and 4740. of the Revised Code or any other provisions of law.

In connection with the transfer of duties, powers, obligations, functions, and rights and abolition of the Division of Labor and Worker Safety and the Division of Industrial Compliance, all real property and interest therein, documents, books, money, papers, records, machinery, furnishings, office equipment, furniture, and all other property over which the Superintendent and Division of Labor and Worker Safety or the Superintendent and Division of Industrial Compliance has control pertaining to the duties, powers, and obligations transferred and the rights of the Superintendent and Division of Labor and Worker Safety and the Superintendent and Division of Industrial Compliance to enforce or receive any of the aforesaid is automatically transferred to the Superintendent and Division of Labor without necessity for further action on the part of the Superintendent, Division of Labor, or the Director of Commerce. Additionally, all appropriations or reappropriations made to the Superintendent and Division of Labor and Worker Safety and the Superintendent and Division of Industrial Compliance for the purposes of the performance of their duties, powers, and obligations, are transferred to the Superintendent and Division of Labor to the extent of the remaining unexpended or unencumbered balance thereof, whether allocated or unallocated, and whether obligated or unobligated."

Between lines 106644 and 106645, insert:

"Section 4169.02 of the Revised Code as amended by both Am. Sub. S.B. 293 and Sub. H.B. 535 of the 121st General Assembly.

Section 4169.04 of the Revised Code as amended by both Am. Sub. S.B. 293 and Sub. H.B. 535 of the 121st General Assembly."

In line 7 of the title, after "121.07," insert "121.08, 121.083, 121.084,"

In line 11 of the title, after "124.07," insert "124.11,"

In line 65 of the title, after "3301.42," insert "3301.55,"

In line 91 of the title, after "3702.94," insert "3703.01, 3703.03, 3703.04, 3703.05, 3703.06, 3703.07, 3703.08, 3703.10, 3703.21, 3703.99,"

In line 92 of the title, after "3712.03," insert "3713.01, 3713.02, 3713.03, 3713.04, 3713.05, 3713.06, 3713.07, 3713.08, 3713.09, 3713.10,"

In line 100 of the title, after "3721.02," insert "3721.071,"

In line 102 of the title, after "3722.04," insert "3722.041,"

In line 106 of the title, after "3737.71," insert "3743.04, 3743.25,"

In line 108 of the title, after "3781.01," insert "3781.03,"; after "3781.10," insert "3781.102, 3781.11,"

In line 109 of the title, after "3781.19," insert "3783.05, 3791.02, 3791.04, 3791.05, 3791.07,"

In line 112 of the title, after "3953.231," insert "4104.01, 4104.02, 4104.06,"; after "4104.07," insert "4104.08, 4104.09, 4104.10,"; after "4104.101," insert "4104.12, 4104.15, 4104.16, 4104.17,"

In line 113 of the title, after "4104.18," insert "4104.19, 4104.21, 4104.33, 4104.42, 4104.43, 4104.44, 4104.48, 4105.01, 4105.02, 4105.03, 4105.04, 4105.05, 4105.06, 4105.09, 4105.11, 4105.12, 4105.13, 4105.15, 4105.16,"; after "4105.17," insert "4105.191, 4105.20, 4105.21,"

In line 114 of the title, after "4141.162," insert "4169.02, 4169.03, 4169.04, 4171.04,"

In line 133 of the title, after "4736.01," insert "4740.03, 4740.11,"

In line 146 of the title, after "5104.041," insert "5104.051,"

In line 369, after "3733.02," insert "3733.43,"

Between lines 54116 and 54117, insert:

"**Sec. 3733.43.** (A) Except as otherwise provided in this division, prior to the fifteenth day of April in each year, every person who intends to operate an agricultural labor camp shall make application to the licensor for a license to operate such camp, effective for the calendar year in which it is issued. The licensor may accept an application on or after the fifteenth day of April. The license fees specified in this division shall be submitted to the licensor with the application for a license. No agricultural labor camp shall be operated in this state without a license. Any person operating an agricultural labor camp without a current and valid agricultural labor camp license is not excepted from compliance with sections 3733.41 to 3733.49 of the Revised Code by holding a valid and current hotel license. Each person proposing to open an agricultural labor camp shall submit with the application for a license any plans required by any rule adopted under section 3733.42 of the Revised Code. ~~The~~ For any license issued on or after July 1, 2009, the annual license fee is ~~seventy-five~~ one hundred fifty dollars, unless the application for a license is made on or after the fifteenth day of April in any given year, in which case the annual license fee is one hundred sixty-six dollars. ~~An~~ For any license issued on or after July 1, 2009, an additional fee of ~~ten~~ twenty dollars per housing unit per year shall be assessed

to defray the costs of enforcing sections 3733.41 to 3733.49 of the Revised Code, unless the application for a license is made on or after the fifteenth day of April in any given year, in which case an additional fee of ~~fifteen~~ forty-two dollars and fifty cents per housing unit shall be assessed. All fees collected under this division shall be deposited in the state treasury to the credit of the general operations fund created in section 3701.83 of the Revised Code and shall be used for the administration and enforcement of sections 3733.41 to 3733.49 of the Revised Code and rules adopted thereunder.

(B) Any license under this section may be denied, suspended, or revoked by the licensor for violation of sections 3733.41 to 3733.49 of the Revised Code or the rules adopted thereunder. Unless there is an immediate serious public health hazard, no denial, suspension, or revocation of a license shall be made effective until the person operating the agricultural labor camp has been given notice in writing of the specific violations and a reasonable time to make corrections. When the licensor determines that an immediate serious public health hazard exists, the licensor shall issue an order denying or suspending the license without a prior hearing.

(C) All proceedings under this section are subject to Chapter 119. of the Revised Code except as provided in section 3733.431 of the Revised Code.

(D) Every occupant of an agricultural labor camp shall keep that part of the dwelling unit, and premises thereof, that the occupant occupies and controls in a clean and sanitary condition."

In line 90871, after "3733.02," insert "3733.43,"

In line 106543, after "3718.03," insert "3733.43,"

In line 104 of the title, after "3733.02," insert "3733.43,"

In line 415, delete "5747.113,"

In line 430, delete "149.308,"

In line 456, delete "5907.111,"

Delete lines 13756 through 13765

Delete lines 86687 through 86791

Delete lines 89451 through 89462

In line 90917, delete "5747.113,"

Delete lines 106421 through 106423

In line 167 of the title, delete "5747.113,"

In line 188 of the title, delete "149.308,"

In line 219 of the title, delete "5907.111,"

Delete lines 106390 through 106405

In line 84857, reinsert "that"; delete " under either of the following circumstances:"

In line 84858, delete " (a) The contract"

In line 84859, delete the underlined semicolon

Delete lines 84860 through 84862

In line 84863, delete everything before the period

In line 414, delete "5739.011,"

Delete lines 85180 through 85326

In line 90916, delete "5739.011,"

In line 106547, delete "5739.011,"

In line 165 of the title, delete "5739.011,"

In line 408, after "5139.43, insert "5501.04,"

Between lines 80093 and 80094, insert:

"**Sec. 5501.04.** The following divisions are hereby established in the department of transportation:

(A) The division of business services;

(B) The division of engineering policy;

(C) The division of finance;

(D) The division of human resources;

(E) The division of information technology;

(F) The division of multi-modal planning and programs;

(G) The division of project management ;

(H) The division of equal opportunity.

The director of transportation shall distribute the duties, powers, and functions of the department among the divisions of the department.

Each division shall be headed by a deputy director, whose title shall be designated by the director, and shall include those other officers and employees as may be necessary to carry out the work of the division. The director shall appoint the deputy director of each division, who shall be in the unclassified civil service of the state and shall serve at the pleasure of the director. The director shall supervise the work of each division and shall be responsible for the determination of general policies in the performance of the duties, powers, and functions of the department and of each division. The director shall have complete executive charge of the department, shall be responsible for the organization, direction, and supervision of the work of the department and the

performance of the duties, powers, and functions assigned to each division, and may establish necessary administrative units therein. The deputy director of each division, with the approval of the director and subject to Chapter 124. of the Revised Code, shall appoint the necessary employees of the division and may remove such employees for cause.

The division of equal opportunity shall ensure that minority groups and all groups protected by state and federal civil rights laws are afforded equal opportunity to be recruited, trained, and work in the employment of or on projects of the department of transportation, and to participate in contracts awarded by the department. The director of transportation each year shall report to the governor and the general assembly on the division's activities and accomplishments."

In line 90911, after "5139.43," insert "5501.04,"

In line 158 of the title, after "5139.43," insert "5501.04,"

In line 431, delete "167.081,"

Delete lines 15706 through 15736

In line 188 of the title, delete "167.081,"

Between lines 106234 and 106235, insert:

"**Section 753.___.** (A) The Governor is authorized to execute a Governor's Deed in the name of the state conveying to the Dayton Public School District/Dayton Board of Education, ("grantee"), and its successors and assigns, all of the state's right, title, and interest in the following described real estate:

STATE OF OHIO TO BOARD OF EDUCATION 45.3599 Acres

Situated in Section 26, Township 2, Range 7 of the Miami River Survey, the City of Dayton, the County of Montgomery, the State of Ohio, being a 2.2361 acre portion of a 15 acres 30 rods tract conveyed to the State of Ohio as recorded in Deed Book U-2, Page 40, and being a 22.5673 acre portion of a 24.36 acre tract of land conveyed to the Trustees of the Southern Ohio Lunatic Asylum as recorded in Deed Book N-3, Page 233, being an 4.6813 acre portion of a 21.25 acre tract of land conveyed to the State of Ohio as recorded in Deed Book 169, Page 583, and being an 8.6742 acre portion of a 33.5 acre tract as conveyed to the State of Ohio as recorded in Deed Book 169, Page 585, being an 7.2010 acre portion of a 10.544 acre tract of land as conveyed to the State of Ohio as recorded in Deed Book 138, Page 125 and being a portion of City of Dayton Lot Number 61376 and all of Lot Number 61377 of the revised and consecutive numbers of lots on the plat of the City of Dayton and more particularly bounded and described as follows:

Beginning at a capped 5/8" Iron Pin found stamped "Woolpert" at the Southeast corner of a 2.881 acre tract being Parcel 2 of the Wilmington Woods Plat as recorded in Plat Book 134, Page 3A, said point also being the northeast corner of an 8.338 acre tract of land conveyed to the Barry K. Humphries as

recorded in Microfiche 01-O590A04 and the TRUE POINT OF BEGINNING;

Thence with the east line of said 2.881 acre tract being Parcel 2 and the West line of a 24.36 acre tract of land conveyed to the Trustees of the Southern Ohio Lunatic Asylum as recorded in Deed Book N-3, Page 233, North 00°32' 15" East a distance of 459.39 feet to a RR Spike set in the centerline of Wayne Avenue, passing a 5/8 inch iron pin set at the northeast corner of said 2.881 acre tract and the south right of way of Wayne Avenue at 429.39 feet;

Thence with the centerline of Wayne Ave and the north lines of said 24.36 acre tract and said 21.25 acre tract, South 89º18'28" East a distance of 790.80 feet to a RR spike set at the northwest comer of a 1.056 acre tract of land conveyed to the City of Dayton as recorded in M.F. No. 90-424 EO9;

Thence with the west line of said 1.056 acre tract and the east line of said 21.25 acre tract, South 01º17'05" West a distance of 230.89 feet to a 5/8 inch iron pin stamped "Riancho", passing a 5/8 inch iron set at the south right of way of Wayne Avenue at 30.00 feet;

Thence with the south line of said 1.056 acre tract and the south line of a 1.056 acre tract of land conveyed to the City of Dayton as recorded in M.F. No. 78-725 B08, South 89º27' 55" East a distance of 400.00 feet to a found 5/8" iron pin and passing a 5/8 inch iron pin found stamped "Riancho" at 200.00 feet;

Thence with the east line of said 1.056 acre tract and the west line of said 33.5 acre tract as conveyed to the State of Ohio as recorded in Deed Book 169 Page 585, North 1°17'05" East a distance of 229.79 feet to a RR spike set, passing a 5/8 inch iron pin set at the south right of way of Wayne Avenue at 199.79 feet;

Thence with the centerline of Wayne Avenue and the north line of said 33.5 acre tract, South 89º18'28" East a distance of 270.78 feet to a RR spike set at the Intersection of the centerlines of Waterveliet Avenue and Wayne Avenue;

Thence with the centerline of Waterveliet Avenue and with the northerly line of said 33.5 acre tract, South 55º21'16" East a distance of 231.10 feet to a RR spike set;

Thence with the east line of said 33.5 acre tract and the west line of a 13.00 acre tract conveyed to the Board of Education of the Dayton City School District as recorded in Deed Book 1522, Page 341, South 00º48' 28" West a distance of 709.51 feet to a 5/8 inch iron pin set;

Thence with a new division line, North 89º11'12" West, a distance of 468.08 feet to a 5/8 inch iron pin set, in the west line of said 33.5 acre tract and the east line of said 21.25 acre tract, to a 5/8 inch iron pin set;

Thence with the west line of said 33.5 acre tract and the east line of said 21.25 acre tract, North 01°07'55" East a distance of 141.74 feet to a 5/8 inch iron pin set;

Thence with a new division line, North 89°15'53" West, passing the west

line of said 21.25 acre tract and the east line of said 24.36 acre tract conveyed to The Trustees of the Southern Ohio Lunatic Asylum as recorded in Deed Book N~3, Page 233 at a distance of 425.35 feet, for a total distance of 507.35 feet to a 5/8 inch iron pin set;

Thence with a new division line South 01°07'00" West passing the south line of 24.36 acre tract conveyed to The Trustees of the Southern Ohio Lunatic Asylum as recorded in Deed Book N-3, Page 233 and the north line of said 10.544 acre tract at a distance of 627.92 feet, for a total distance of 1,013.05 feet to a 5/8 inch iron pin set in the south line of said 10.544 acre tract;

Thence with the south line of said 10.544 acre tract and the north line a 20.3 acre tract conveyed to the State of Ohio Department of Public Works for the use of the Department of Public Welfare, Dayton State Hospital as recorded in Deed Book 1326, Page 247, North 88°52'07" West a distance of 808.89 feet to a 5/8 inch iron pin set in the east line of a 11.579 acre tract of land conveyed to the Hospice of Dayton as recorded in Microfiche 94-0448C08;

Thence with the east line of said 11.579 acre tract of land, the east line of said 8.338 acre tract as conveyed to Barry K. Humphries as recorded in M.F. number 01-0590 A04, the west line of said 10.544 acre tract, and the west line of said 2.36 acre tract, North 03°24 '08" West a distance of 956.68 feet to a 5/8 inch iron pin set;

Thence with an easterly line of said 8.338 acre tract, the westerly line of said 24.36 acre tract, and the north line of said 2.36 acre tract, North 49º49'38" East a distance of 275.99 feet to a capped 5/8 inch Iron Pin found stamped "LJB";

Thence with the east line of said 8.338 acre tract and the west line of a 24.36 acre tract, North 00°32'15" East a distance of 108.09 feet to a capped 5/8" Iron Pin stamped "Woolpert" and the TRUE POINT OF BEGINNING, containing 45.3599 acres more or less. Subject to all easements, agreements and right of ways of record.

The basis of bearings for this description is the easterly line of Parcel 2, South 00°32'15 West, as recorded in the Wilmington Woods Plat as recorded in Plat Book 134, Page 3A;

All iron pins set in the above boundary description are 5/8" (O.D.) 30" long with a plastic cap stamped "LJB"

(B)(1) Consideration for conveyance of the real estate described in division (A) of this section is the transfer to the state at no cost of 8.9874 acres adjacent to the remaining Twin Valley Behavioral Healthcare/Dayton Campus, subject to the following conditions:

(a) Within one hundred eighty days after conveyance of the real estate described in division (A) of this section, grantee at its own cost shall complete construction of a new western extension off of Mapleview Avenue to provide a new entrance roadway to the remaining Twin Valley Behavioral

Healthcare/Dayton Campus and provide an easement to the state for full utilization of the roadway for the benefit of the remaining Twin Valley Behavioral Healthcare/Dayton Campus until the property described in division (B)(1) of this section is transferred to the state.

(b) Within three hundred forty days after the occupancy of the New Belmont High School, grantee shall demolish and environmentally restore the 8.9874 acres being transferred to the state.

(2) In lieu of the transfer of the 8.9874 acres, if the Director of Mental Health determines that the grantee has insufficiently performed its construction, demolition, and environmental restoration obligations specified in division (B)(1) of this section, the grantee, as consideration, shall pay a purchase price of $1,175,000.00 to the state, which is the appraised value of the 45.3599 acres described in division (A) of the section less the cost of demolition, site, and utility work.

(C) The real estate described in division (A) of this section shall be conveyed as an entire tract and not in parcels.

(D) Upon transfer of the 8.9874 acres to the state or payment of the purchase price, the Auditor of State, with the assistance of the Attorney General, shall prepare a deed to the real estate described in division (A) of this section. The deed shall state the consideration and shall be executed by the Governor in the name of the state, countersigned by the Secretary of State, sealed with the Great Seal of the State, presented in the Office of the Auditor of State for recording, and delivered to the grantee. The grantee shall present the deed for recording in the Office of the Montgomery County Recorder.

(E) The grantee shall pay all costs associated with conveyance of the real estate described in division (A) of this section, including recordation costs of the deed.

(F) If the payment of $1,175,000.00 is made in lieu of the transfer of the 8.9874 acres to the state, the proceeds of the conveyance of the real estate described in division (A) of this section shall be deposited into the state treasury to the credit of the Department of Mental Health Trust Fund created by section 5119.18 of the Revised Code and the easement described in division (B)(1)(a) of this section shall become a permanent easement.

(G) The grantee shall not, during any period that any bonds issued by the state to finance or refinance all or a portion of the real estate described in division (A) of this section are outstanding, use any portion of the real estate for a private business use without the prior written consent of the state.

As used in this division:

"Private business use" means use, directly or indirectly, in a trade or business carried on by any private person other than use as a member of, and on the same basis as, the general public. Any activity carried on by a private person who is not a natural person shall be presumed to be a trade or business.

"Private person" means any natural person or any artificial person, including a corporation, partnership, limited liability company, trust, or other entity and including the United States or any agency or instrumentality of the United States, but excluding any state, territory, or possession of the United States, the District of Columbia, or any political subdivision thereof that is referred to as a "State or local governmental unit" in Treasury Regulation § 1.103-1(a) and any person that is acting solely and directly as an officer or employee of or on behalf of any such governmental unit.

(H) This section expires two years after its effective date."

Between lines 105214 and 105215, insert:

"**Section 701.50.** (A) Each state agency shall appoint an Equal Employment Opportunity Officer who shall be responsible for monitoring the agency's compliance with sections 123.151, 123.152, and 125.081 of the Revised Code and for reporting the level of the agency's compliance to the Deputy Director of the Equal Opportunity Division of the Department of Administrative Services. The Equal Employment Opportunity Officer for each state agency shall also do all of the following:

(1) Analyze spending on goods, services, and construction projects for the officer's agency and determine any missed opportunities for the inclusion of certified minority business enterprise and EDGE business vendors;

(2) Analyze the spending of the officer's agency with EDGE business enterprise vendors, as well as EDGE business enterprise vendor availability by regions of this state, and communicate the analysis to the Department of Administrative Services so that the department may determine the appropriate EDGE business enterprise goal for each contract;

(3) Report minority business enterprise or EDGE business enterprise enrollment for all contracts issued by the officer's agency to the Deputy Director of the Equal Opportunity Division;

(4) Implement a scorecard system that tracks compliance with minority business enterprise and EDGE business enterprise program requirements for the officer's agency;

(5) Implement the outreach and training plan to ensure compliance by the officer's agency with minority business enterprise and EDGE business enterprise requirements;

(6) Attend the semiannual training conducted by the Deputy Director of the Equal Opportunity Division on minority business enterprise and EDGE business enterprise requirements; and

(7) Participate in the annual compliance review conducted by the Deputy Director of the Equal Employment Opportunity Division and implement recommendations made by the Deputy Director as a result of the review process.

The Deputy Director of the Equal Opportunity Division shall develop the

scorecard system and the outreach and training plan, shall conduct semiannual training on minority business enterprise and EDGE business enterprise requirements for Equal Employment Opportunity Officers, shall conduct an annual review of each state agency's compliance with minority business enterprise and EDGE business enterprise requirements, and shall make recommendations for improved compliance as a result of each review.

(B) Each state agency shall ensure that all contracts the agency enters into for the purchase of goods and services contain provisions that do all of the following:

(1) Prohibit contractors and subcontractors from engaging in discriminatory employment practices;

(2) Certify that contractors and subcontractors are in compliance with all applicable federal and state laws and rules that govern fair labor and employment practices; and

(3) Encourage contractors and subcontractors to purchase goods and services from certified minority business enterprise and EDGE business enterprise vendors.

(C)(1) A state agency shall not issue an EDGE business enterprise waiver without doing all of the following:

(a) Having all waivers reviewed by the agency's Procurement Officer, in collaboration with the agency's Equal Employment Opportunity Officer, who shall certify that each waiver the agency issues complies with criteria for granting the waiver;

(b) Submitting quarterly reports to the Equal Opportunity Division that lists each waiver the agency grants;

(c) Permitting the Equal Opportunity Division to complete its review of the agency's quarterly report and to conduct periodic audits of the agency's administration of the waiver process.

The Deputy Director of the Equal Opportunity Division shall review each quarterly report of EDGE business enterprise waivers and shall conduct periodic audits of each agency's administration of the waiver process.

(2) If the Deputy Director of the Equal Opportunity Division determines that a state agency has not properly administered the issuance of EDGE business enterprise waivers, subsequent waivers shall not be issued by that state agency without the authorization and approval of the Deputy Director. The Deputy Director may release a state agency from the approval process when the Deputy Director has determined that the agency has the ability to consistently administer the waiver process.

(D) On the first day of October of each year, the Deputy Director of the Equal Opportunity Division shall submit a written report to the Governor, the Speaker of the House of Representatives, the President of the Senate, and the

Minority Leaders of the House of Representatives and Senate that describe the progress of state agencies in advancing the minority business enterprise and EDGE business enterprise programs, as well as any initiatives that have been implemented to increase the number of certified minority business enterprise and EDGE business enterprise vendors doing business with this state.

Section 701.51. (A) The Ohio Housing Finance Agency, the Third Frontier Commission, and the Clean Ohio Council shall comply with agency procurement for contracting with EDGE business enterprises established under section 123.152 of the Revised Code.

(B) To the extent that a state university as defined in section 3345.011 of the Revised Code, the Ohio Housing Finance Agency, the Third Frontier Commission, the Clean Ohio Council, or the Ohio School Facilities Commission is authorized to make purchases, it shall comply with the minority business set aside requirements in division (B) of section 125.081 of the Revised Code.

Section 701.52. If a state agency, including a state university as defined in section 3345.011 of the Revised Code and the Ohio Housing Finance Agency, the Third Frontier Commission, the Clean Ohio Council, and the Ohio School Facilities Commission, has failed to comply with the set-aside requirement in division (B) of section 125.081 of the Revised Code, or to comply with the procurement goals specified under division (B)(2) or (14) of section 123.152 of the Revised Code, the state agency shall establish, not later than December 31, 2009, a long-term plan for complying with those provisions."

Delete lines 105271 through 105303

In line 318, delete "915.24,"

In line 356, delete "3701.83,"

In line 362, delete everything after "3715.873,"

Delete lines 363 and 364

In line 365, delete "3717.30, 3717.31, 3717.32, 3717.33, 3717.48,"

Delete lines 20824 through 20844

Delete lines 47752 through 47766

Delete lines 51155 through 52364

In line 90820, delete "915.24,"

In line 90858, delete "3701.83,"

In line 90864, delete everything after "3715.873,"

Delete lines 90865 and 90866

In line 90867, delete "3717.30, 3717.31, 3717.32, 3717.33, 3717.48,"

Between lines 92143a and 92144, insert:

"GRF 700407 Food Safety $ 875,043 $ 875,043"

In line 92154, add $875,043 to each fiscal year

Between lines 92174a and 92175, insert:

"4P70 700610 Food Safety Inspection $ 1,099,396 $ 1,099,396"

In line 92188, add $1,099,396 to each fiscal year

In line 92192, add $1,974,439 to each fiscal year

Delete lines 92214 through 92218

Delete lines 103082 through 103156

In line 33 of the title, delete "915.24,"

In line 87 of the title, delete "3701.83,"

In line 94 of the title, delete "3717.01,"

Delete lines 95 through 98 of the title

In line 99 of the title, delete "3717.32, 3717.33, 3717.48,"

In line 318, after "915.24," insert "918.08, 918.28,"

Between lines 20844 and 20845, insert:

"**Sec. 918.08.** (A) Except as provided in division (F) of this section, no person shall operate an establishment without first licensing the establishment with the department of agriculture. The owner of an establishment desiring a license with the department may make application therefor on forms provided by the department. If after inspection the director of agriculture finds that an establishment is in compliance with this chapter and rules adopted under it, the director shall notify the owner of the establishment and, upon receipt of the required license fee, the establishment shall be permitted to operate. However, if after inspection the director finds that an establishment is not in compliance with this chapter and rules adopted under it, the director shall deny the license application. The applicant may appeal the denial of the license application in accordance with Chapter 119. of the Revised Code. The license shall expire annually on the thirty-first day of March and, if the director finds that the establishment is in compliance with this chapter and rules adopted under it, shall be renewed according to the standard renewal procedure of sections 4745.01 to 4745.03 of the Revised Code.

(B) The annual license fee for each establishment, or a renewal thereof, is ~~fifty~~ one hundred dollars. All fees collected under this section shall be deposited into the poultry and meat products fund created in section 918.15 of the Revised Code.

(C) If after inspection the director determines that an establishment licensed under division (A) of this section is operating in violation of this chapter or the rules adopted thereunder, the director shall notify the licensee in writing of the violation and give the licensee ten days from the date of notice to cease or

correct the conditions causing the violation. If the conditions causing the violation continue after the expiration of the ten-day period, the director may do either of the following:

(1) Impose progressive enforcement actions as provided in division (D)(1) of this section in the same manner as inspectors;

(2) Suspend or revoke the establishment's license in accordance with Chapter 119. of the Revised Code.

(D)(1) If an inspector determines that an establishment licensed under division (A) of this section is operating in violation of sections 918.01 to 918.12 of the Revised Code and rules adopted under those sections, the inspector may notify the licensee in writing of the violation. The inspector immediately may impose progressive enforcement actions, including withholding the mark of inspection, suspension of inspection, suspension of inspection held in abeyance, and withdrawal of inspection. The progressive enforcement actions may be taken prior to affording the licensee an opportunity for a hearing. As authorized in division (C) of section 119.06 of the Revised Code, a decision to impose a progressive enforcement action is immediately appealable to a higher authority within the department who is classified by the director as a district supervisor and who is designated by the director to hear the appeal. If the district supervisor affirms the enforcement action of the inspector, the licensee may appeal the enforcement action in accordance with Chapter 119. of the Revised Code.

(2) As used in division (D)(1) of this section, "suspension of inspection held in abeyance" means a period of time during which a suspension of inspection is lifted because an establishment has presented the director with a corrective action plan that, if implemented properly, would bring the establishment into compliance with this chapter and rules adopted under it.

(E) If in the opinion of the director the establishment is being operated under such insanitary conditions as to be a hazard to public health, or if the director determines that an establishment is not in compliance with its hazard analysis critical control point plan as required by rules, the director may condemn or retain the product on hand and immediately withdraw inspection from the establishment until the insanitary conditions are corrected or until the establishment is in compliance with its hazard analysis critical control point plan, as applicable. The director may take those actions prior to an adjudication hearing as required under section 119.06 of the Revised Code. The director subsequently shall afford a hearing upon the request of the owner or operator of the establishment.

(F) Any person operating an establishment as defined in section 918.01 of the Revised Code who also operates on the same premises an establishment as defined in section 918.21 of the Revised Code shall apply either for licensure under section 918.08 of the Revised Code or for licensure under section 918.28 of the Revised Code, but not for both, as the director shall determine.

(G) If the director determines that the owner or operator of or any person

employed by an establishment licensed under division (A) of this section forcibly assaulted, resisted, opposed, impeded, intimidated, or interfered with any person while that person was engaged in, or because of the person's performance of, official duties under sections 918.01 to 918.12 of the Revised Code or the rules adopted under those sections, the director immediately may withdraw inspection from the establishment prior to an adjudication hearing as required under section 119.06 of the Revised Code.

(H) In addition to any remedies provided by law and irrespective of whether or not there exists an adequate remedy at law, the director may apply to the court of common pleas of the county in which a violation of sections 918.01 to 918.12 of the Revised Code or rules adopted under those sections occurs for a temporary or permanent injunction or other appropriate relief concerning the violation.

Sec. 918.28. (A) Except as provided in division (F) of section 918.08 of the Revised Code, application for a license to operate an establishment shall be made to the director of agriculture on forms provided by the department of agriculture. The director shall inspect the establishment and if, upon inspection, the establishment is found to be in compliance with this chapter and rules adopted under it, the director shall so notify the owner of the establishment and, upon receipt of the annual license fee of ~~fifty~~ one hundred dollars, shall issue the owner a license. However, if after inspection the director finds that an establishment is not in compliance with this chapter and rules adopted under it, the director shall deny the license application. The applicant may appeal the denial of the license application in accordance with Chapter 119. of the Revised Code. The license shall expire on the thirty-first day of March of each year and, if the director finds that the establishment is in compliance with this chapter and rules adopted under it, shall be renewed according to the standard renewal procedures of sections 4745.01 to 4745.03 of the Revised Code.

(B) If after inspection the director determines that an establishment licensed under this section is operating in violation of this chapter or a rule or order adopted or issued under authority thereof, the director shall notify the licensee in writing of the violation, giving the licensee ten days from the date of the notice to correct the conditions causing the violation. If the conditions are not corrected within the ten-day period, the director may do either of the following:

(1) Impose progressive enforcement actions as provided in division (C)(1) of this section in the same manner as inspectors;

(2) Suspend or revoke the license in accordance with Chapter 119. of the Revised Code.

(C)(1) If an inspector determines that an establishment licensed under division (A) of this section is operating in violation of sections 918.21 to 918.31 of the Revised Code and rules adopted under those sections, the inspector may notify the licensee in writing of the violation. The inspector immediately may impose progressive enforcement actions, including withholding the mark of

inspection, suspension of inspection, suspension of inspection held in abeyance, and withdrawal of inspection. The progressive enforcement actions may be taken prior to affording the licensee an opportunity for a hearing. As authorized in division (C) of section 119.06 of the Revised Code, a decision to impose a progressive enforcement action is immediately appealable to a higher authority within the department who is classified by the director as a district supervisor and who is designated by the director to hear the appeal. If the district supervisor affirms the enforcement action of the inspector, the licensee may appeal the enforcement action in accordance with Chapter 119. of the Revised Code.

(2) As used in division (C)(1) of this section, "suspension of inspection held in abeyance" means a period of time during which a suspension of inspection is lifted because an establishment has presented the director with a corrective action plan that, if implemented properly, would bring the establishment into compliance with this chapter and rules adopted under it.

(D) If in the opinion of the director the establishment is being operated under such insanitary conditions as to be a hazard to public health, or if the director determines that an establishment is not in compliance with its hazard analysis critical control point plan as required by rules, the director may condemn or retain the product on hand and immediately withdraw inspection from the establishment until such time as the insanitary conditions are corrected or until the establishment is in compliance with its hazard analysis critical control point plan, as applicable.

(E) If the director determines that the owner or operator of or any person employed by an establishment licensed under division (A) of this section forcibly assaulted, resisted, opposed, impeded, intimidated, or interfered with any person while that person was engaged in, or because of the person's performance of, official duties under sections 918.21 to 918.31 of the Revised Code or the rules adopted under those sections, the director immediately may withdraw inspection from the establishment prior to an adjudication hearing as required under section 119.06 of the Revised Code.

(F) In addition to any remedies provided by law and irrespective of whether or not there exists an adequate remedy at law, the director may apply to the court of common pleas of the county in which a violation of sections 918.21 to 918.31 of the Revised Code or rules adopted under those sections occurs for a temporary or permanent injunction or other appropriate relief concerning the violation."

In line 90820, after "915.24," insert "918.08, 918.28,"

In line 33 of the title, after "915.24," insert "918.08, 918.28,"

In line 316, after "901.32," insert "901.43,"

In line 320, after "927.71," insert "942.01, 942.02, 942.06, 942.13, 943.01, 943.02, 943.04, 943.05, 943.06, 943.07, 943.13, 943.14, 943.16, 953.21, 953.22, 953.23,"

In line 435, after "927.54," insert "943.031,"

Between lines 20279 and 20280, insert:

"**Sec. 901.43.** (A) The director of agriculture may authorize any department of agriculture laboratory to perform a laboratory service for any person, organization, political subdivision, state agency, federal agency, or other entity, whether public or private. The director shall adopt and enforce rules to provide for the rendering of a laboratory service.

(B) The director may charge a reasonable fee for the performance of a laboratory service, except when the service is performed on an official sample taken by the director acting pursuant to Title IX, Chapter 3715., or Chapter 3717. of the Revised Code; by a board of health acting as the licensor of retail food establishments or food service operations under Chapter 3717. of the Revised Code; or by the director of health acting as the licensor of food service operations under Chapter 3717. of the Revised Code. The director of agriculture shall adopt rules specifying what constitutes an official sample.

The director shall publish a list of laboratory services offered, together with the fee for each service.

(C) The director may enter into a contract with any person, organization, political subdivision, state agency, federal agency, or other entity for the provision of a laboratory service.

(D)(1) The director may adopt rules establishing standards for accreditation of laboratories and laboratory services and in doing so may adopt by reference existing or recognized standards or practices.

(2) The director may inspect and accredit laboratories and laboratory services, and may charge a reasonable fee for the inspections and accreditation.

(E)(1) There is hereby created in the state treasury the animal ~~health~~ and ~~food safety~~ consumer analytical laboratory fund. Moneys from the following sources shall be deposited into the state treasury to the credit of the fund: all moneys collected by the director under this section that are from fees generated by a laboratory service performed by the department and related to the diseases of animals, all moneys so collected that are from fees generated for the inspection and accreditation of laboratories and laboratory services related to the diseases of animals, all moneys collected by the director under this section that are from fees generated by a laboratory service performed by the consumer analytical laboratory, ~~and~~ all moneys so collected that are from fees generated for the inspection and accreditation of laboratories and laboratory services not related to weights and measures , and all moneys collected under Chapters 942., 943., and 953. of the Revised Code. The director may use the moneys held in the fund to pay the expenses necessary to operate the animal industry laboratory and the consumer analytical laboratory, including the purchase of supplies and equipment.

(2) All moneys collected by the director under this section that are from

fees generated by a laboratory service performed by the weights and measures laboratory, and all moneys so collected that are from fees generated for the inspection and accreditation of laboratories and laboratory services related to weights and measures, shall be deposited in the state treasury to the credit of the weights and measures laboratory fund, which is hereby created in the state treasury. The moneys held in the fund may be used to pay the expenses necessary to operate the division of weights and measures, including the purchase of supplies and equipment."

Between lines 21720 and 21721, insert:

"**Sec. 942.01.** As used in sections 942.01 to 942.13 of the Revised Code:

(A) "Conveyance" means a vehicle, trailer, or compartment that is used to transport raw rendering material.

(B) "Garbage" means all waste material derived in whole or in part from the meat of any animal, including fish and poultry, or other animal material, and other refuse of any character that has been associated with such waste material resulting from the handling, preparation, cooking, or consumption of food.

~~(B)~~ (C) "Person" means any individual, corporation, partnership, association, society, company, firm, or other legal entity.

~~(C)~~ (D) "Raw rendering material" has the same meaning as in section 953.21 of the Revised Code.

(E) "Treated garbage" means any edible garbage for consumption by swine that has been heated at boiling point while being agitated, except in steam cooking equipment, to ensure that the garbage is heated throughout for thirty minutes under the supervision of a person licensed pursuant to section 942.02 of the Revised Code.

Sec. 942.02. (A) No person shall feed on ~~his~~ the person's premises, or permit the feeding of, treated garbage to swine without a license to do so issued by the department of agriculture.

(B) An application for a license to feed treated garbage shall be made in writing on a form prescribed by the director of agriculture.

(C) A license shall be renewed before the thirty-first day of December of each year, and an application for renewal shall be filed before the thirtieth day of November of each year.

(D) The fee for the license shall be ~~fifty~~ one hundred dollars per annum. A late fee of fifty dollars shall be paid for each application that is received after the thirtieth day of November each year.

(E) All money collected under this section shall be credited to the animal and consumer analytical laboratory fund created in section 901.43 of the Revised Code.

Sec. 942.06. (A) Equipment used for handling garbage, except for the

containers in which the garbage is treated, and conveyances shall not subsequently be used in the feeding of swine unless first cleaned and disinfected in accordance with directions on the labels of one of the following disinfectants approved by the "Federal Insecticide, Fungicide and Rodenticide Act," 61 Stat. 163 (1947), 7 U.S.C.A. 136, as amended:

(1) A registered brand of sodium orthophenylphenate;

(2) A registered cresylic disinfectant, provided that the conditions set forth under 9 C.F.R. 71.10 and 77.11 are met;

(3) Disinfectants with tuberculocidal claims and labeled as efficacious against any species within the viral genus herpes.

(B) Treated or untreated garbage that is not fed to swine and materials associated with such garbage shall be disposed of in a manner consistent with all applicable federal and state laws and in an area inaccessible to the swine.

(C) All refuse resulting from feeding treated garbage to swine ~~,~~ that is not fed to swine shall be disposed of in a manner so as to prevent the attraction of insects and rodents or the contamination of adjoining property.

(D) The premises, vehicles, and equipment used in the feeding of treated garbage to swine shall be subject to inspection by the department of agriculture during regular business hours. If the director of agriculture or ~~his~~ the director's designee is denied access to any premises as authorized under this division, ~~he~~ the director or the director's designee may apply to any court of competent jurisdiction for a search warrant authorizing access to the requested premises. Upon receipt of an application for a search warrant, the court may issue a search warrant for the purposes requested.

(E) (1) The owner of the premises, vehicles, and equipment used in the feeding of treated garbage to swine and licensed pursuant to section 942.02 of the Revised Code shall be responsible for cleaning and disinfecting them with no expense to the department.

(2) The owner of a conveyance is responsible for cleaning and disinfecting the conveyance with no expense to the department.

Sec. 942.13. This chapter does not apply to ~~any~~ either of the following:

(A) An individual who feeds garbage from ~~his~~ the individual's household to ~~his~~ the individual's own animals or ~~to any~~ an individual who only feeds bakery waste, candy waste, eggs, vegetables, or dairy products to swine ;

(B) Rendered products. As used in this division, "rendered product" means raw rendering material that has been ground and heated to a minimum temperature of two hundred thirty degrees Fahrenheit to make products such as animal, poultry, or fish protein, grease, or tallow.

Sec. 943.01. As used in sections 943.01 to 943.18 of the Revised Code:

(A) "Animals" or "livestock" means horses, mules, and other equidae,

cattle, sheep, and goats and other bovidae, swine and other suidae, poultry, alpacas, and llamas.

(B) "Dealer" or "broker" means any person found by the department of agriculture buying, receiving, selling, slaughtering, with the exception of those persons designated by division (B)(1) of section 918.10 of the Revised Code, exchanging, negotiating, or soliciting the sale, resale, exchange, or transfer of any animals in an amount of more than two hundred fifty head of cattle, horses, or other equidae or five hundred head of sheep, goats, or other bovidae ~~or~~ , swine and other suidae ~~or~~ , poultry, alpacas , or llamas during any one year. "Dealer" or "broker" does not mean any of the following:

(1) Any railroad or other carrier transporting animals either interstate or intrastate;

(2) Any person who by dispersal sale is permanently discontinuing the business of farming, dairying, breeding, raising, or feeding animals;

(3) Any person who sells livestock that has been raised from birth on the premises of the person;

(4) Any person who buys or receives animals for grazing or feeding purposes at a premises owned or controlled by the person and sells or disposes of the animals after the minimum grazing or feeding period of thirty days;

(5) Any person who places livestock in facilities other than the person's own pursuant to a written agreement for feeding or finishing, provided that the person retains legal and equitable title to the livestock during the term of the agreement.

The exemptions set forth in divisions (B)(1) to (5) of this section are exclusive of those activities requiring licensure under this chapter, so that a person shall be deemed to be a dealer or broker or subject to divisions (B)(1) to (5) of this section, but shall not be, or be subject to, both. No person who is a licensed dealer or broker and whose license is suspended shall have livestock or animals exempted pursuant to divisions (B)(1) to (5) of this section.

(C) "Employee" means any person employed by a dealer or broker to act in the dealer's or broker's behalf to buy, sell, exchange, negotiate, or solicit sale or resale of animals in the dealer's or broker's name.

(D) "Small dealer" means any person found by the department buying, receiving, selling, slaughtering, with the exception of those persons designated by division (B)(1) of section 918.10 of the Revised Code, exchanging, negotiating, or soliciting the sale, resale, exchange, or transfer of any animals in an amount of two hundred fifty head or less of cattle, horses, or other equidae or five hundred head or less of sheep, goats, or other bovidae, swine or other suidae, poultry, alpacas, or llamas during any one year.

Sec. 943.02. (A) No person shall act as a small dealer, dealer , or broker without first being licensed. No person shall be an employee of more than one

small dealer, dealer , or broker. Except as provided in division (B) of this section, no person holding a license as a small dealer, dealer , or broker shall be an employee. No employee shall act for any small dealer, dealer , or broker unless the small dealer, dealer , or broker is licensed, and has designated the employee to act in ~~his~~ the small dealer's, dealer's, or broker's behalf and has notified the department of agriculture in ~~his~~ the application for license or has given official notice in writing of the appointment of the employee. The small dealer, dealer , or broker shall be accountable and responsible for all contracts pertaining to the purchase, exchange, or sale of livestock made by the employee. The small dealer, dealer , or broker who terminates the services of an employee shall notify the department in writing of the employee's termination. No person who is a licensed small dealer, dealer , or broker shall have livestock exempted pursuant to divisions (B)(1) ~~through (5)~~ to (6) of section 943.01 of the Revised Code.

(B) A small dealer, dealer , or broker may be an employee of other small dealers, dealers , or brokers only when ~~he~~ the small dealer, dealer, or broker so employed is a soliciting agent for a video auction.

(C) The director of agriculture shall define by rule "soliciting agent" and "video auction" for the purposes of this section.

Sec. 943.031. (A) Application for a license as a small dealer shall be made in writing to the department of agriculture. The application shall state the nature of the business, the municipal corporation or township, county, and post-office address of the location where the business is to be conducted, the name of any employee who is authorized to act in the small dealer's behalf, and any additional information that the department prescribes.

(B) The applicant shall satisfy the department of the applicant's character and good faith in seeking to engage in the business of a small dealer. The department then shall issue to the applicant a license to conduct the business of a small dealer at the place named in the application. Licenses, unless revoked, shall expire annually on the thirty-first day of March and shall be renewed according to the standard renewal procedure established in sections 4745.01 to 4745.03 of the Revised Code.

(C) No license shall be issued by the department to a small dealer having weighing facilities until the applicant has filed with the department a copy of a scale test certificate showing the weighing facilities to be in satisfactory condition, a copy of the license of each weigher employed by the applicant, and a certificate of inspection by the department showing livestock market facilities to be in satisfactory sanitary condition.

(D) No licensed small dealer shall employ as an employee a person who, as a small dealer, dealer, or broker, previously defaulted on contracts pertaining to the purchase, exchange, or sale of livestock until the licensee does both of the following:

(1) Appears at a hearing before the director of agriculture or the director's

designee conducted in accordance with Chapter 119. of the Revised Code pertaining to that person;

(2) Signs and files with the director an agreement that guarantees, without condition, all contracts pertaining to the purchase, exchange, or sale of livestock made by the person while in the employ of the licensee. The director shall prescribe the form and content of the agreement.

(E) A licensed small dealer is not required to maintain financial responsibility or furnish proof of financial responsibility.

Sec. 943.04. (A) Fees for the initial issuance of any license issued pursuant to sections 943.02 ~~and~~ , 943.03 , and 943.031 of the Revised Code, shall be paid to the department of agriculture.

(B) All annual renewal fees for ~~such~~ the licenses shall be paid by the applicant for ~~such~~ the renewal of a license on or before the thirty-first day of March of each year to the treasurer of state. ~~Such~~ Except for license fees for small dealers, the fees shall be based on the number of head of livestock purchased, sold, or exchanged, in this state, whichever is the greatest, during the preceding calendar year. ~~Such~~ Those fees for dealers or brokers shall be as follows:

Less than 1,000 head ..... ~~$10.00~~ $50.00 per annum;

For 1,001 to 10,000 head ..... ~~$25.00~~ $125.00 per annum;

For more than 10,000 head ..... ~~$50.00~~ $250.00 per annum.

In the event a dealer or broker operates more than one place where livestock is purchased, sold, or exchanged, a fee shall be paid for each ~~such~~ place ~~;~~ , but only the original purchase, sale, or exchange shall be counted in computing the amount of the fee to be paid for each ~~such~~ place operated by ~~such~~ the dealer or broker. Shipment between yards owned or operated by ~~such~~ the dealer or broker shall be exempt.

A late fee of one hundred dollars shall be paid for each dealer or broker license renewal application that is received after the thirty-first day of March each year.

(C)(1) A fee of twenty-five dollars shall be paid by each small dealer.

If a small dealer operates more than one place where livestock is purchased, sold, or exchanged, a fee shall be paid for each place, but only the original purchase, sale, or exchange shall be counted in computing the amount of fee to be paid for each place operated by the small dealer. Shipment between yards owned or operated by the small dealer shall be exempt.

(2) A late fee of twenty-five dollars shall be paid for each small dealer license renewal application that is received after the thirty-first day of March each year.

(D) A fee of twenty dollars shall be paid by each employee that is

appointed by a small dealer, dealer, or broker as provided in section 943.02 of the Revised Code.

(E) A fee of ~~five~~ ten dollars shall be paid by each licensed weigher.

(F) All ~~fees and charges~~ money collected under section 943.03 of the Revised Code ~~,~~ and under this section shall be ~~paid into the state treasury, and shall be~~ credited to the ~~general revenue~~ animal and consumer analytical laboratory fund created in section 901.43 of the Revised Code.

Sec. 943.05. (A) The director of agriculture may refuse to grant or may suspend a small dealer's, dealer's , or broker's license, without prior hearing, ~~when he determines~~ after determining from evidence presented to ~~him~~ the director that there is reasonable cause to believe any of the following situations exist:

(1) Where the applicant or licensee or an employee has violated the laws of the state or official regulations governing the interstate or intrastate movement, shipment, or transportation of animals, or has been convicted of a crime involving moral turpitude or convicted of a felony;

(2) Where there have been false or misleading statements as to the health or physical condition of the animals with regard to official tests or quantity of animals, or the practice of fraud or misrepresentation in connection therewith or in the buying or receiving of animals or receiving, selling, exchanging, soliciting, or negotiating the sale, resale, exchange, weighing, or shipment of animals;

(3) Where the applicant or licensee acts as a small dealer, dealer , or broker for a person attempting to conduct business in violation of section 943.02 of the Revised Code, after the notice of the violation has been given to the licensee by the department of agriculture;

(4) Where the applicant or licensee or employee fails to practice measures of sanitation, disinfection, and inspection as required by sections 943.01 to 943.18 of the Revised Code, or prescribed by the department, of premises or vehicles used for the yarding, holding, or transporting of animals;

(5) Where there has been a failure to keep records required by the department or where there is a refusal on the part of the applicant or licensee or employee to produce records of transactions in the carrying on of the business for which the license is granted;

(6) Where the applicant or licensee providing weighing facilities used for, in connection with, or incident to the purchase or sale of livestock for the account of the licensee or others, fails to maintain and operate the weighing facilities in accordance with sections 943.08 and 943.10 of the Revised Code;

(7) Where the applicant or licensee in the conduct of the business covered by the license fails to maintain and operate weighing facilities in accordance with sections 943.08 and 943.10 of the Revised Code or fails to cause its

livestock to be weighed by licensed weighers as provided in those sections;

(8) ~~Where~~ With regard to a dealer or broker licensee, where the licensee fails to maintain a bond or deposit, or letter of credit, if applicable, or fails to adjust the bond or deposit upon thirty days' notice or refuses or neglects to pay the fees or inspection charges required to be paid;

(9) Where the licensee has been suspended by order of the secretary of agriculture of the United States department of agriculture under provisions of the "Packers and Stockyards Act of 1921," 42 Stat. 159, 7 U.S.C.A. 181, as amended;

(10) ~~Where~~ With regard to a dealer or broker licensee, where the surety company, trustee, or issuer of a letter of credit of the licensee issues a notice of termination of the licensee's bond agreement, deposit agreement, or letter of credit.

(B) When the director refuses to grant or suspends a small dealer's, dealer's , or broker's license, ~~he~~ the director or ~~his~~ the director's designee may hand deliver the order. The licensee to whom a suspension order is issued shall be afforded a hearing in accordance with Chapter 119. of the Revised Code, after which the director shall reinstate, revoke, or suspend for a longer or indefinite period the suspended license.

Sec. 943.06. Every small dealer, dealer , and broker licensed under section 943.03 or 943.031 of the Revised Code , as applicable, and carrying on or conducting business under ~~such~~ that license, shall post in a conspicuous place in or at the place of business of ~~such~~ the licensee a copy of ~~such~~ the license furnished by the department of agriculture, to be kept so posted and exposed for inspection by any person.

Sec. 943.07. Each small dealer, dealer , or broker leasing, renting, operating, or owning livestock yards, pens, premises, or vehicles in which animals are quartered, fed, held, or transported, shall have a veterinary inspector approved by the department of agriculture, inspect, when directed, all such yards, premises, and vehicles and shall thoroughly and completely disinfect all such yards, pens, premises, and vehicles under the direction of the veterinary inspector and as prescribed by the department. The cost of ~~such~~ the inspection and disinfection shall be borne by ~~such~~ the small dealer, dealer , or broker.

The department shall not require such veterinary inspection of yards, pens, premises , or other facilities where veterinary inspection is regularly maintained by the United States department of agriculture, or by the municipal corporation in which the same are located, or where livestock is transported to markets or slaughtering establishments where such inspection is maintained.

The department may adopt ~~and promulgate~~ adequate sanitary requirements covering the construction and maintenance of buildings, pens, and chutes on all premises regularly used for the assembling, receiving, handling, feeding, watering, holding, buying, or selling of livestock, and may prescribe

and enforce rules ~~and regulations~~ for the purpose of carrying into effect sections 943.01 to 943.18 of the Revised Code. ~~Such~~ Those sections shall not apply to railroads subject to the "Interstate Commerce Act of 1887," 24 Stat. 379, 49 U.S.C.A. 1.

Sec. 943.13. The department of agriculture shall require inspection, tests, and treatments necessary to prevent the spread of diseases of all animals sold or transferred from pens, yards, premises, or vehicles by ~~brokers or~~ small dealers, dealers , or brokers except when such animals are immediately delivered to a slaughtering establishment. ~~Such~~ The inspection, tests , and treatments shall be made by a veterinary inspector approved by the department and shall be made and reported as prescribed by the department. The fees for ~~such~~ that service shall be paid by the ~~broker or~~ small dealer, dealer , or broker. This section shall not apply to a person operating a slaughtering establishment at which antemortem veterinary inspection is regularly maintained.

The director of agriculture, without a prior hearing, may revoke the approval of a veterinary inspector. A person to whom an order of revocation is issued shall be afforded a hearing in accordance with sections 119.01 to 119.13 of the Revised Code.

Animals sold through a livestock auction market shall be accompanied by a release as may be prescribed by the department and issued by the ~~broker or~~ small dealer, dealer , or broker. ~~Such~~ The release shall state the date, number and kind of animals moved, point of origin, and buyer.

Animals sold for slaughter may be identified by an ear tag, a livestock paint brand, or other prescribed identification, whenever the department finds such identification necessary.

Operators of livestock auction markets shall furnish and maintain cattle chutes suitable for restraining animals for careful inspection and shall provide suitable laboratory space for the veterinary inspector. All swine pens shall be paved and maintained so that they can be cleaned and disinfected. All diseased animals shall be segregated by species and held in designated pens constructed to facilitate cleaning and disinfecting.

Sec. 943.14. (A) The department of agriculture or any of its authorized agents may inspect the records of any licensee or employee at any time to determine the origin and destination of any livestock handled by the licensee and to determine if sections 943.01 to 943.18 of the Revised Code, or the rules ~~promulgated~~ adopted thereunder, have been violated.

(B) A small dealer, dealer , or broker, employee, or person described in division (B)(4) of section 943.01 of the Revised Code, who acquires or disposes of an animal by any means, shall make a record of the name and address of the person from whom the animal was acquired and to whom disposed. The record also shall show the individual identification of each animal at the time of acquisition or disposal. These records shall be maintained for a period of ~~twenty-four~~ sixty months or longer from the date of acquisition or disposal.

(C) The individual identification in division (B) of this section shall be in a manner or form approved by the department.

(D) A person who is a soliciting agent for a video auction pursuant to division (B) of section 943.02 of the Revised Code shall maintain records in a manner or form approved by the department.

Sec. 943.16. All fines imposed and collected under section 943.99 of the Revised Code ~~,~~ shall be ~~paid to the department of agriculture and by it paid into the state treasury~~ credited to the animal and consumer analytical laboratory fund created in section 901.43 of the Revised Code.

Sec. 953.21. As used in this chapter:

(A) "Animal" means any animal, other than ~~man~~ a human being, and includes domestic fowl, wild birds, fish, and reptiles, living or dead.

(B) "Licensee" means any person who is licensed in accordance with this chapter.

(C) "Loading platform" means any place operated by a licensee for loading dead animals, or parts thereof, onto trucks to take them to a rendering plant or composting facility.

(D) "Person" means any natural person, partnership, association, or corporation.

(E) "Raw rendering material" means any body, part of a body, or product of a body of any dead animal that is unwholesome, condemned, inedible, or otherwise unfit for human consumption.

(F) "Rendering plant" means any premises where raw rendering materials are converted into fats, oils, feeds, fertilizer, and other products.

(G) "Composting facility" means any premises, including ~~structure~~ structures and equipment, operating in accordance with rules adopted under section 3734.02 of the Revised Code and used for the controlled decomposition of organic solid material, including dead animals, that stabilizes the organic fraction of the material.

(H) "Conveyance" means a vehicle, trailer, or compartment.

Sec. 953.22. (A) No person shall engage in the business of disposing of, picking up, rendering, or collecting raw rendering material or transporting the material to a composting facility without a license to do so from the department of agriculture.

(B) This chapter does not apply to any of the following:

(1) ~~Operations on any premises that are licensed in compliance with Chapter 918. of the Revised Code or are subject to federal meat inspection and render only raw rendering material that is produced on the premises;~~

~~(2)~~ A farmer who slaughters ~~his~~ the farmer's own animals, raised by ~~him~~

the farmer on ~~his~~ the farmer's own farm, processes ~~his~~ the farmer's own meat therefrom, and disposes of ~~his~~ the farmer's raw rendering material only by delivery to a person licensed under section 953.23 of the Revised Code;

~~(3)~~ (2) A person whose only connection with raw rendering material is curing hides and skins;

~~(4)~~ (3) A person whose only connection with raw rendering material is operating a pet cemetery;

~~(5)~~ (4) A person who is conducting composting, as defined in section 1511.01 of the Revised Code, in accordance with section 1511.022 of the Revised Code ;

(5) A person whose only connection with raw rendering material is trapping wild animals in accordance with a nuisance wild animal permit issued by the chief of the division of wildlife in the department of natural resources under rules adopted pursuant to section 1531.08 of the Revised Code;

(6) A county dog warden or animal control officer who transports raw rendering material only for disposal purposes.

Sec. 953.23. (A) Application for a license shall be made to the department of agriculture on a form prescribed by the department.

(B) Each application shall include all of the following:

(1) The name and address of the applicant;

(2) The applicant's proposed place of business;

(3) A detailed statement of the method that the applicant intends to use to dispose of, pick up, render, or collect raw rendering material or to transport it to a composting facility;

(4) Such other relevant information as the department may require.

(C) Each applicant shall submit the annual license fee with ~~his~~ the application.

(1) The license fee for a person applying for an annual license to pick up or collect raw rendering material and dispose of the material to a licensee or in accordance with divisions (B) and (C) of section 953.26 of the Revised Code, or to transport raw rendering material to a composting facility, is twenty-five dollars per conveyance that is used to pick up or collect and dispose of or to transport raw rendering material. A late fee of ten dollars per conveyance shall be charged for each application that is received after the thirtieth day of November each year.

(2) The license fee for a person applying for an annual license to pick up or collect raw rendering material and to operate one or more rendering plants is ~~one~~ three hundred dollars for each such plant. A late fee of one hundred dollars shall be charged for each application that is received after the thirtieth day of November each year.

(D) On receipt of an application and fee, under this section, the department shall inspect the means of conveyance and premises that the applicant proposes to use to dispose of, collect, pick up, or render raw rendering material or to transport it to a composting facility for profit.

(E) If the department finds that the applicant's means of conveyance, premises, and operation meet the requirements of this chapter and rules adopted thereunder, the department shall issue a license to the applicant to dispose of, pick up, render, or collect for profit raw rendering material or to transport it to a composting facility for profit.

(F) Each license issued under this section shall expire on the thirty-first day of December of each year. Each person licensed under this section shall make application for renewal of ~~his~~ the person's license no later than the thirtieth day of November of each year.

(G) Application for renewal shall be in accordance with the requirements of this section for initial application for a license and the standard renewal procedure of sections 4745.01 to 4745.03 of the Revised Code.

(H) All money collected under this section shall be credited to the animal and consumer analytical laboratory fund created in section 901.43 of the Revised Code."

In line 90818, after "901.32," insert "901.43,"

In line 90822, after "927.71," insert "942.01, 942.02, 942.06, 942.13, 943.01, 943.02, 943.04, 943.05, 943.06, 943.07, 943.13, 943.14, 943.16, 953.21, 953.22, 953.23,"

In line 92185, delete "$4,300,000 $4,300,000" and insert "$4,400,000 $4,400,000"

In line 92188, delete "$17,823,282 $17,823,282" and insert "$17,923,282 $17,923,282"

In line 92192, delete "$45,029,595 $45,029,595" and insert "$45,129,595 $45,129,595"

In line 106523, after "901.20," insert "901.43,"

In line 106528, after "927.74," insert "942.01, 942.02, 942.06, 942.13, 943.01, 943.02, 943.031, 943.04, 943.05, 943.06, 943.07, 943.13, 943.14, 943.16, 953.21, 953.22, 953.23,"

In line 31 of the title, after "901.32," insert "901.43,"

In line 37 of the title, after "927.71," insert "942.01, 942.02, 942.06, 942.13, 943.01, 943.02, 943.04, 943.05, 943.06, 943.07, 943.13, 943.14, 943.16, 953.21, 953.22, 953.23,"

In line 194 of the title, after "927.54," insert "943.031,"

In line 22340, delete " video service authorization" and insert " division

of administration"

In line 22341, delete " 1332.25" and insert " 121.08"

In line 22342, delete " three" and insert " four"

In line 22350, delete " October 9, 2009,"

In line 22351, delete " initially and by"

In line 22352, delete " subsequent"

In line 22357, delete " By October 16,"

In line 22358, delete " 2009, initially and on" and insert " On"

In line 22359, delete " subsequent"

In line 22363, after the underlined period insert " After the initial assessment, the director annually shall reconcile the amount collected with the total, current amount assessed pursuant to this section, and either shall charge each assessed video service provider its respective proportion of any insufficiency or proportionately credit the provider's next assessment for any excess collected."

In line 22533, after " (F)" insert " (1)"

Between lines 22536 and 22537, insert:

" (2) A video service provider may identify or make reference on a subscriber bill to an assessment under section 1332.24 of the Revised Code only if the provider opts to pass the cost of the assessment onto subscribers."

In line 332, after "1707.17," insert "1707.18,"

Between lines 26874 and 26875, insert:

"**Sec. 1707.18.** (A)(1) If a partnership licensed as a dealer is terminated under the laws of the state where the partnership is organized, or by death, resignation, withdrawal, or addition of a general partner, the license of the partnership shall be automatically extended for a period of thirty days after the termination. The license of the partnership and the licenses of its salespersons may be transferred to the successor partnership within that period if the division of securities finds that the successor partnership is substantially similar to its predecessor partnership, and if an application for transfer of license has been filed. The fee for such a transfer shall be fifty dollars, plus ~~ten~~ fifteen dollars for every salesperson's license that is transferred.

(2) If a partnership licensed as an investment adviser is terminated under the laws of the state where the partnership is organized, or by death, resignation, withdrawal, or addition of a general partner, the license of the partnership shall be automatically extended for a period of thirty days after the termination. The license of the partnership shall, and the licenses of its investment adviser representatives may, be transferred to the successor partnership within that period if the division finds that the successor partnership is substantially similar

to its predecessor partnership, and if an application for transfer of license has been filed. The fee for such transfer shall be fifty dollars, plus ~~ten~~ fifteen dollars for every investment adviser representative's license that is transferred.

(B)(1) If a licensed dealer changes its business form, reincorporates, or by merger or otherwise becomes a different person, as person is defined in section 1707.01 of the Revised Code, upon application the division may transfer the dealer's license and the licenses of its salespersons to the successor entity, if the division finds that the successor entity is substantially similar to the predecessor entity. The fee for such a transfer shall be fifty dollars plus ~~ten~~ fifteen dollars for every salesperson's license transferred.

(2) If a licensed investment adviser changes its business form, reincorporates, or by merger or otherwise becomes a different person, as person is defined in section 1707.01 of the Revised Code, upon application, the division may transfer the investment adviser license and the licenses of its investment adviser representatives to the successor entity, if the division finds that the successor entity is substantially similar to the predecessor entity. The fee for the transfer shall be fifty dollars plus ~~ten~~ fifteen dollars for every investment adviser representative's license transferred."

In line 90834, after "1707.17," insert "1707.18,"

In line 53 of the title, after "1707.17," insert "1707.18,"

In line 332, after "1707.17," insert "1710.01,"; after "1710.02," insert "1710.03, 1710.04, 1710.06, 1710.10, 1710.13,"

Delete lines 26875 through 27041 and insert:

"**Sec. 1710.01.** As used in this chapter:

(A) "Special improvement district" means a special improvement district organized under this chapter.

(B) "Church" means a fellowship of believers, congregation, society, corporation, convention, or association that is formed primarily or exclusively for religious purposes and that is not formed for the private profit of any person.

(C) "Church property" means property that is described as being exempt from taxation under division (A)(2) of section 5709.07 of the Revised Code and that the county auditor has entered on the exempt list compiled under section 5713.07 of the Revised Code.

(D) "Municipal executive" means the mayor, city manager, or other chief executive officer of the municipal corporation in which a special improvement district is located.

(E) "Participating political subdivision" means the municipal corporation or township, or each of the municipal corporations or townships, that has territory within the boundaries of a special improvement district created under this chapter.

(F) "Legislative authority of a participating political subdivision" means, with reference to a township, the board of township trustees.

(G) "Public improvement" means the planning, design, construction, reconstruction, enlargement, or alteration of any facility or improvement, including the acquisition of land, for which a special assessment may be levied under Chapter 727. of the Revised Code.

(H) "Public service" means any service that can be provided by a municipal corporation or any service for which a special assessment may be levied under Chapter 727. of the Revised Code.

(I) "Existing qualified nonprofit corporation" means a nonprofit corporation that existed before the creation of the corresponding district under this chapter, that is composed of members located within or adjacent to the district, that has established a police department under section 1702.80 of the Revised Code, and that is organized for purposes that include acquisition of real property within an area specified by its articles for the subsequent transfer of such property to its members exclusively for charitable, scientific, literary, or educational purposes, or holding and maintaining and leasing such property; planning for and assisting in the development of its members; providing for the relief of the poor and distressed or underprivileged in the area and adjacent areas; combating community deterioration and lessening the burdens of government; providing or assisting others in providing housing for low- or moderate-income persons; and assisting its members by the provision of public safety and security services, parking facilities, transit service, landscaping, and parks.

Sec. 1710.02. (A) A special improvement district may be created within the boundaries of any one municipal corporation, any one township, or any combination of contiguous municipal corporations and townships ~~by a petition of the property owners within the proposed district,~~ for the purpose of developing and implementing plans for public improvements and public services that benefit the district. A district may be created by petition of the owners of real property within the proposed district, or by an existing qualified nonprofit corporation. If the district is created by an existing qualified nonprofit corporation, the purposes for which the district is created may be supplemental to the other purposes for which the corporation is organized. All territory in a district shall be contiguous.

The district shall be governed by the board of trustees of a nonprofit corporation. This board shall be known as the board of directors of the special improvement district. No special improvement district shall include any church property, or property of the federal or state government or a county, township, or municipal corporation, unless the church or the county, township, or municipal corporation specifically requests in writing that the property be included within the district , or unless the church is a member of the existing qualified nonprofit corporation creating the district at the time the district is created. More than one district may be created within a participating political subdivision, but no real

property may be included within more than one district unless the owner of the property files a written consent with the clerk of the legislative authority, the township fiscal officer, or the village clerk, as appropriate. The area of each district shall be contiguous.

(B) Except as provided in division (C) of this section, a district created under this chapter is not a political subdivision. A district created under this chapter shall be considered a public agency under section 102.01 and a public authority under section 4115.03 of the Revised Code. Each member of the board of directors of a district, each member's designee or proxy, and each officer and employee of a district shall be considered a public official or employee under section 102.01 of the Revised Code and a public official and public servant under section 2921.42 of the Revised Code. Districts created under this chapter are not subject to section ~~121.24~~ 121.251 of the Revised Code. Districts created under this chapter are subject to sections 121.22 and 121.23 of the Revised Code.

(C) Each district created under this chapter shall be considered a political subdivision for purposes of section 4905.34 of the Revised Code.

Membership on the board of directors of the district shall not be considered as holding a public office. Directors and their designees shall be entitled to the immunities provided by Chapter 1702. and to the same immunity as an employee under division (A)(6) of section 2744.03 of the Revised Code, except that directors and their designees shall not be entitled to the indemnification provided in section 2744.07 of the Revised Code unless the director or designee is an employee or official of a participating political subdivision of the district and is acting within the scope of the director's or designee's employment or official responsibilities.

District officers and district members and directors and their designees or proxies shall not be required to file a statement with the Ohio ethics commission under section 102.02 of the Revised Code. All records of the district shall be treated as public records under section 149.43 of the Revised Code, except that records of organizations contracting with a district shall not be considered to be public records under section 149.43 or section 149.431 of the Revised Code solely by reason of any contract with a district.

(D) Except as otherwise provided in this section, the nonprofit corporation that governs a district shall be organized in the manner described in Chapter 1702. of the Revised Code. ~~The~~ Except in the case of a district created by an existing qualified nonprofit corporation, the corporation's articles of incorporation are required to be approved, as provided in division (E) of this section, by resolution of the legislative authority of each participating political subdivision of the district. A copy of that resolution shall be filed along with the articles of incorporation in the secretary of state's office.

In addition to meeting the requirements for articles of incorporation set forth in Chapter 1702. of the Revised Code, the articles of incorporation for the nonprofit corporation governing a district formed under this chapter shall

provide all the following:

(1) The name for the district, which shall include the name of each participating political subdivision of the district;

(2) A description of the territory within the district, which may be all or part of each participating political subdivision. The description shall be specific enough to enable real property owners to determine if their property is located within the district.

(3) A description of the procedure by which the articles of incorporation may be amended. The procedure shall include receiving approval of the amendment, by resolution, from the legislative authority of each participating political subdivision and filing the approved amendment and resolution with the secretary of state.

(4) The reasons for creating the district, plus an explanation of how the district will be conducive to the public health, safety, peace, convenience, and welfare of the district.

(E) The articles of incorporation for a nonprofit corporation governing a district created under this chapter and amendments to them shall be submitted to the municipal executive, if any, and the legislative authority of each municipal corporation or township in which the proposed district is to be located ~~,~~ . Except in the case of a district created by an existing qualified nonprofit corporation, the articles or amendments shall be accompanied by a petition signed either by the owners of at least sixty per cent of the front footage of all real property located in the proposed district that abuts upon any street, alley, public road, place, boulevard, parkway, park entrance, easement, or other existing public improvement within the proposed district, excluding church property or property owned by the state, county, township, municipal, or federal government, unless a church, county, township, or municipal corporation has specifically requested in writing that the property be included in the district, or by the owners of at least seventy-five per cent of the area of all real property located within the proposed district, excluding church property or property owned by the state, county, township, municipal, or federal government, unless a church, county, township, or municipal corporation has specifically requested in writing that the property be included in the district. For purposes of determining compliance with these requirements, the area of the district, or the front footage and ownership of property, shall be as shown in the most current records available at the county recorder's office and the county engineer's office sixty days prior to the date on which the petition is filed.

Each municipal corporation or township with which the petition is filed has sixty days to approve or disapprove, by resolution, the petition, including the articles of incorporation. In the case of a district created by an existing qualified nonprofit corporation, each municipal corporation or township has sixty days to approve or disapprove the creation of the district after the corporation submits the articles of incorporation or amendments thereto. This chapter does not

prohibit or restrict the rights of municipal corporations under Article XVIII of the Ohio Constitution or the right of the municipal legislative authority to impose reasonable conditions in a resolution of approval.

(F) Persons proposing creation and operation of the district may propose an initial plan for public services or public improvements that benefit all or any part of the district. Any initial plan shall be submitted as part of the petition proposing creation of the district or, in the case of a district created by an existing qualified nonprofit corporation, shall be submitted with the articles of incorporation or amendments thereto.

An initial plan may include provisions for the following:

(1) Creation and operation of the district and of the nonprofit corporation to govern the district under this chapter;

(2) Hiring employees and professional services;

(3) Contracting for insurance;

(4) Purchasing or leasing office space and office equipment;

(5) Other actions necessary initially to form, operate, or organize the district and the nonprofit corporation to govern the district;

(6) A plan for public improvements or public services that benefit all or part of the district, which plan shall comply with the requirements of division (A) of section 1710.06 of the Revised Code and may include, but is not limited to, any of the permissive provisions described in the fourth sentence of that division or listed in divisions (A)(1) to (5) of that section.

After the initial plan is approved by all municipal corporations and townships to which it is submitted for approval and the district is created, each participating subdivision shall levy a special assessment within its boundaries to pay for the costs of the initial plan. The levy shall be for no more than ten years from the date of the approval of the initial plan. For purposes of levying an assessment for this initial plan, the services or improvements included in the initial plan shall be deemed a special benefit to property owners within the district.

(G) Each nonprofit corporation governing a district under this chapter may do the following:

(1) Exercise all powers of nonprofit corporations granted under Chapter 1702. of the Revised Code that do not conflict with this chapter;

(2) Develop, adopt, revise, implement, and repeal plans for public improvements and public services for all or any part of the district;

(3) Contract with any person, political subdivision as defined in section 2744.01 of the Revised Code, or state agency as defined in section 1.60 of the Revised Code to develop and implement plans for public improvements or public services within the district;

(4) Contract and pay for insurance for the district and for directors, officers, agents, contractors, employees, or members of the district for any consequences of the implementation of any plan adopted by the district or any actions of the district.

Sec. 1710.03. (A) ~~Each owner, other than a church or the state, county, township, municipal, or federal government, unless a church or county, township, or municipal corporation has specifically requested in writing that the property be included in the district,~~ Except as otherwise provided in this division, each owner of real property within a special improvement district other than the state or federal government is a member of the district, and the real property of each member of the district is subject to special assessment under division (C) of section 1710.06 of the Revised Code. ~~The~~ A church is not a member of the district unless the church specifically requested in writing that its property be included in the district or unless, in the case of a district created by an existing qualified nonprofit corporation, the church is a member of the corporation at the time the district is created. A county, township, or municipal corporation owning real property in the district is not a member of the district unless such entity specifically requested in writing that its property be included in the district.

The identity and address of the owners shall be determined for any particular action of the nonprofit corporation that governs the district, including notice of meetings of the district, no more than sixty days prior to the date of the action, from the most current records available at the county auditor's office. For purposes of this chapter, the persons shown on such records as having common or joint ownership interests in a parcel of real property collectively shall constitute the owner of the real property.

(B) A member may file a written statement with the district's secretary at least three days prior to any meeting of the entire membership of the district to appoint a proxy to carry out the member's rights and responsibilities under this chapter at that meeting.

(C) A member also may appoint a designee to carry out the member's rights and responsibilities under this chapter by filing a written designation form with the district's secretary. This form shall include the name and address of the member, the name and address of the designee, and the expiration date, if any, of the designation and may authorize the designee to vote at any meeting of the district.

(D) A proxy or designee need not be an elector or resident of any participating political subdivision of the district or a member of the district. The appointment of a proxy or a designee may be changed by filing a new form with the district's secretary. The most current form filed with the secretary is the valid appointment. Service of any notice upon a proxy or designee at the proxy's or designee's address as shown on that form satisfies any requirements for notification of the member.

Sec. 1710.04. (A) A special improvement district created under this chapter shall be governed by the board of directors of the special improvement district. The board shall consist of at least five directors. The board shall include a person appointed by the legislative authority of each participating political subdivision and the municipal executive of each municipal corporation with territory within the boundaries of the special improvement district. The remainder of the board's members shall be members of the district. Except for the municipal executives and the appointees of the legislative authorities, and except as otherwise provided in this division, members of the board of directors shall be elected at a meeting of the entire membership of the district. The initial election of directors may occur at the first meeting of the entire membership of the district after its creation. All subsequent elections shall be held at a November meeting of the membership.

Each municipal executive may designate one person who is an employee of the municipal corporation involved with its planning or economic development functions to serve in the municipal executive's stead. This designee shall serve at the pleasure of the municipal executive.

In the case of a district created by an existing qualified nonprofit corporation, the corporation's board of trustees or other governing board, however denominated, shall be the board of directors of the special improvement district for the purposes of this chapter. The election of directors otherwise required by this division shall not be required, and the requirement that municipal executives and appointees of the legislative authorities be members of the district's board of directors may be satisfied by the membership on the corporation's governing board of representatives of such participating political subdivisions, or may be waived if approved by resolution of the legislative authorities of the participating political subdivisions.

(B) A director may file a written statement with the district's secretary at least three days prior to any meeting of the board to have a person act as proxy to carry out the director's rights and responsibilities under this chapter at that meeting.

A director may also appoint a designee to carry out the director's rights and responsibilities under this chapter by filing a written designation form with the district's secretary. This form shall include the name and address of the director, the name and address of the designee, and the expiration date, if any, of the designation.

A proxy or designee need not be an elector or resident of a participating political subdivision of the district or a member of the district. The appointment of a proxy or designee may be changed by filing a new form with the district's secretary. The most current form filed with the secretary is the valid appointment. Service of any notice upon a proxy or designee at the proxy's or designee's address as shown on that form satisfies any requirements for notification of the director.

(C) Notice of the time, date, place, and agenda for any meeting of the board of directors shall be by written notice to each director, transmitted by certified mail, personal service, or electronic device prior to the meeting. If possible, the notice shall be served at least one week prior to the meeting.

The board shall act by a majority vote of those present and authorized to vote at any meeting where proper notice has been served.

(D) The board shall elect a chairperson, vice-chairperson, secretary, and treasurer of the board. These officers shall serve at the board's pleasure. A director may be elected to more than one office, except that the director elected as treasurer shall not be elected to any other office of the board.

By the first day of March of each year, the treasurer shall submit to each member of the district and to the municipal executive, chief fiscal officer, and legislative authority of each municipal corporation with territory within the boundaries of the special improvement district and the board of township trustees of each township with territory within the boundaries of the special improvement district, a report of the district's activities and financial condition for the previous year.

(E) Divisions (B), (C), and (D) of this section do not apply to a district created by an existing qualified nonprofit corporation to the extent those divisions are not consistent with the regulations of the corporation, in which case the regulations of the corporation shall govern.

Sec. 1710.06. (A) The board of directors of a special improvement district may develop and adopt one or more written plans for public improvements or public services that benefit all or any part of the district. Each plan shall set forth the specific public improvements or public services that are to be provided, identify the area in which they will be provided, and specify the method of assessment to be used. Each plan for public improvements or public services shall indicate the period of time the assessments are to be levied for the improvements and services and, if public services are included in the plan, the period of time the services are to remain in effect. Plans for public improvements may include the planning, design, construction, reconstruction, enlargement, or alteration of any public improvements and the acquisition of land for the improvements. Plans for public improvements or public services may also include, but are not limited to, provisions for the following:

(1) Creating and operating the district and the nonprofit corporation under this chapter, including hiring employees and professional services, contracting for insurance, and purchasing or leasing office space and office equipment and other requirements of the district;

(2) Planning, designing, and implementing a public improvements or public services plan, including hiring architectural, engineering, legal, appraisal, insurance, and planning services, and, for public services, managing, protecting, and maintaining public and private facilities, including public improvements;

(3) Conducting court proceedings to carry out this chapter;

(4) Paying damages resulting from the provision of public improvements or public services and implementing the plans;

(5) Paying the costs of issuing, paying interest on, and redeeming notes and bonds issued for funding public improvements and public services plans.

(B) Once the board of directors adopts a plan, it shall submit the plan to the legislative authority of each participating political subdivision and the municipal executive of each municipal corporation in which the district is located, if any. The legislative authorities and municipal executives shall review the plan and, within sixty days after receiving it, may submit their comments and recommendations about it to the district. After reviewing these comments and recommendations, the board of directors may amend the plan. It may then submit the plan, amended or otherwise, in the form of a petition to members of the district whose property may be assessed for the plan. Once the petition is signed by those members who own at least sixty per cent of the front footage of property that is to be assessed and that abuts upon a street, alley, public road, place, boulevard, parkway, park entrance, easement, or other public improvement, or those members who own at least seventy-five per cent of the area to be assessed for the improvement or service, the petition may be submitted to each legislative authority for approval.

Each legislative authority shall, by resolution, approve or reject the petition within sixty days after receiving it. If the petition is approved by the legislative authority of each participating political subdivision, the plan contained in the petition shall be effective at the earliest date on which a nonemergency resolution of the legislative authority with the latest effective date may become effective. A plan may not be resubmitted to the legislative authorities and municipal executives more than three times in any twelve-month period.

(C) Each participating political subdivision shall levy, by special assessment upon specially benefited property located within the district, the costs of any public improvements or public services plan contained in a petition approved by the participating political subdivisions under this section or division (F) of section 1710.02 of the Revised Code. The levy shall be made in accordance with the procedures set forth in Chapter 727. of the Revised Code, except that:

(1) The assessment for each improvements or services plan may be levied by any one or any combination of the methods of assessment listed in section 727.01 of the Revised Code, provided that the assessment is uniformly applied.

(2) For the purpose of levying an assessment, the board of directors may combine one or more improvements or services plans or parts of plans and levy a single assessment against specially benefited property.

(3) For purposes of special assessments levied by a township pursuant to

this chapter, references in Chapter 727. of the Revised Code to the municipal corporation shall be deemed to refer to the township, and references to the legislative authority of the municipal corporation shall be deemed to refer to the board of township trustees.

Church property or property owned by a political subdivision, including any participating political subdivision in which a special improvement district is located, shall be included in and be subject to special assessments made pursuant to a plan adopted under this section or division (F) of section 1710.02 of the Revised Code, if the church or political subdivision has specifically requested in writing that its property be included within the special improvement district and the church or political subdivision is a member of the district or, in the case of a district created by an existing qualified nonprofit corporation, if the church is a member of the corporation.

(D) All rights and privileges of property owners who are assessed under Chapter 727. of the Revised Code shall be granted to property owners assessed under this chapter, including those rights and privileges specified in sections 727.15 to 727.17 and 727.18 to 727.22 of the Revised Code and the right to notice of the resolution of necessity and the filing of the estimated assessment under section 727.13 of the Revised Code. Property owners assessed for public services under this chapter shall have the same rights and privileges as property owners assessed for public improvements under this chapter.

Sec. 1710.10. (A) When a participating political subdivision contracts to provide improvements or services to a special improvement district, the participating political subdivision shall charge only its additional cost of providing the improvement or service, without any allocation of overhead costs, fixed costs, or assignment of costs at rates higher than those at which the participating political subdivision assigns costs for similar improvements or services for political subdivision purposes.

(B) ~~Any~~ Except in the case of a district created by an existing qualified nonprofit corporation, any law enforcement or fire protection service to be provided under a district's public service plan shall be provided only by contract with a participating political subdivision of the district. ~~The~~ In the case of a district created by an existing qualified nonprofit corporation, the corporation may provide law enforcement service as provided under section 1702.80 of the Revised Code.

The district shall reimburse the participating political subdivision for any additional cost incurred in providing that law enforcement or fire protection service. This additional cost shall not include any overhead, fixed costs, or assignment of costs at rates higher than those at which the political subdivision assigns costs for these services for political subdivision purposes.

(C) Any liability for providing fire or police services under this section by a participating political subdivision shall remain with the participating political subdivision and shall not be assumed by the district.

Sec. 1710.13. ~~The~~ This section does not apply to a special improvement district created by an existing qualified nonprofit corporation.

The process for dissolving a special improvement district or repealing an improvements or services plan may be initiated by a petition signed by members of the district who own at least twenty per cent of the appraised value of the real property located in the district, excluding church property or real property owned by the federal government, the state, or a county, township, or municipal corporation, unless the church, county, township, or municipal corporation has specifically requested in writing that the property be included in the district, and filed with the municipal executive, if any, and the legislative authorities of all the participating political subdivisions of the district. As used in this section, "appraised value" means the taxable value established by the county auditor for purposes of real estate taxation.

No later than forty-five days after such a petition is filed, the members of the district shall meet to consider it. Notice of the meeting shall be given as provided in section 1710.05 of the Revised Code. Upon the affirmative vote of members who collectively own more than fifty per cent of the appraised value of the real property in the district that may be subject to assessment under division (C) of section 1710.06 of the Revised Code, the district shall be dissolved, or the plan shall be repealed, as applicable.

No rights or obligations of any person under any contract, or in relation to any bonds, notes, or assessments made under this chapter, shall be affected by the dissolution of the district or the repeal of a plan, except with the consent of that person or by order of a court with jurisdiction over the matter. Upon dissolution of a district, any assets or rights of the district, after payment of all bonds, notes, or other obligations of the district, shall be deposited in a special account in the treasury of each participating political subdivision, prorated among all participating political subdivisions to reflect the percentage of the district's territory within that political subdivision, to be used for the benefit of the territory that made up the district.

Once the members have approved the repeal of a plan, all bonds, notes, and other obligations of the district associated with the plan shall be paid. Thereafter, the plan shall be repealed. Upon receipt of proof that all bonds, notes, and other obligations have been paid and that the plan has been repealed, the participating political subdivisions shall terminate any levies imposed to pay for costs of the plan."

In line 90834, after "1707.17," insert "1710.01,"; after "1710.02," insert "1710.03, 1710.04, 1710.06, 1710.10, 1710.13,"

In line 53 of the title, after "1707.17," insert "1710.01,"; after "1710.02," insert "1710.03, 1710.04, 1710.06, 1710.10, 1710.13,"

In line 80893, after " 2010," insert " but before January 1, 2015,"

In line 401, delete "5111.083,"

Delete lines 75559 through 75592

In line 90903, delete "5111.083,"

In line 148 of the title, delete "5111.083,"

In line 297, delete "120.52, 120.53,"

In line 321, delete "1349.20, 1349.22,"

In line 374, delete "3953.231,"

In line 435, delete "2315.50,"

Delete lines 5210 through 5390

Delete lines 22543 through 22595

In line 28678, reinsert "twenty-six"; delete " thirty-one"

Delete lines 28709 through 28715

In line 29306, reinsert "twenty-six"; delete " thirty-one"

Delete lines 29337 through 29343

In line 29421, reinsert "twenty-six"; delete " thirty-one"

In line 29425, delete " a domestic"

Delete line 29426

In line 29427, delete " additional filing fee shall apply to"

In line 29428, delete " and"

In line 29429, reinsert ", spousal support, marital property or separate property"

In line 29430, reinsert "distribution, support, or other domestic relations matters"

Delete lines 29455 through 29461

Delete lines 29538 through 29576

Delete lines 60631 through 60727

In line 90799, delete "120.52, 120.53,"

In line 90823, delete "1349.20, 1349.22,"

In line 90876, delete "3953.231,"

Delete lines 106484 through 106485

In line 6 of the title, delete "120.52, 120.53,"

In line 38 of the title, delete "1349.20, 1349.22,"

In line 112 of the title, delete "3953.231,"

In line 195 of the title, delete "2315.50,"

In line 445, after "3923.91," insert "4113.11,"

Between lines 60897 and 60898, insert:

" **Sec. 4113.11.** (A) As specified in division (B) of this section and except as provided in divisions (C) and (F) of this section, all employers that employ ten or more employees shall adopt and maintain a cafeteria plan that allows the employer's employees to pay for health insurance coverage by a salary reduction arrangement as permitted under section 125 of the Internal Revenue Code.

(B) Employers shall comply with the requirements of division (A) of this section as follows:

(1) For employers that employ more than five hundred employees, by not later than January 1, 2011, or six months after the superintendent of insurance adopts rules as required by division (E) of this section, whichever is later;

(2) For employers that employ one hundred fifty to five hundred employees, by not later than July 1, 2011, or twelve months after the superintendent adopts rules as required by division (E) of this section, whichever is later;

(3) For employers that employ ten to one hundred forty-nine employees, by not later than January 1, 2012, or eighteen months after the superintendent adopts rules as required by division (E) of this section, whichever is later.

(C) This section shall not apply to employers that, through other means than provided under this section, offer health insurance coverage, reimburse for health insurance coverage, or provide employees with opportunities to pay for health insurance with pre-tax dollars through other salary reduction arrangements.

(D) The health care coverage and quality council created under section 3923.90 of the Revised Code shall make recommendations to the superintendent for both of the following:

(1) Development of strategies to educate, assist, and conduct outreach to employers to simplify administrative processes with respect to creating and maintaining cafeteria plans, including, but not limited to, providing employers with model cafeteria plan documents and technical assistance on creating and maintaining cafeteria plans that conform with state and federal law;

(2) Development of strategies to educate, assist, and conduct outreach to employees with respect to finding, selecting, and purchasing a health insurance plan to be paid for through their employer's cafeteria plan under this section.

(E)(1) The superintendent shall adopt rules in accordance with Chapter 119. of the Revised Code to implement and enforce this section, including the strategies recommended by the council pursuant to division (D) of this section.

(2) Prior to adopting rules under this division, the superintendent shall

consult any federal agency that has oversight of cafeteria plans and employee welfare benefit plans, including the internal revenue service and the United States department of labor, and receive written confirmation that the rules adopted will permit employers to establish cafeteria plans in accordance with federal law. The written confirmation shall include a determination that individual policies purchased pursuant to this section do not need to comply with the group market rules established by the "Health Insurance Portability and Accountability Act of 1996."

(F) The requirement provided in division (A) of this section does not apply if the superintendent does not receive written confirmation pursuant to division (E)(2) of this section that individual policies purchased pursuant to this section do not need to comply with the group market rules established by the "Health Insurance Portability and Accountability Act of 1996."

(G) Nothing in this section shall be construed as requiring an employer to establish a cafeteria plan in a manner that would violate federal law, including the "Employee Retirement Income Security Act of 1974," the "Consolidated Omnibus Budget Reconciliation Act of 1985," or the "Health Insurance Portability and Accountability Act of 1996."

(H) As used in this section:

(1) "Cafeteria plan" has the same meaning as in section 125 of the Internal Revenue Code.

(2) "Employer" has the same meaning as in section 4113.51 of the Revised Code.

(3) "Employee" means an individual employed for consideration who works twenty-five or more hours per week or who renders any other standard of service generally accepted by custom or specified by contract as full-time employment, except for a public employee employed by a township or municipal corporation. In that case, "employee" means an individual hired with the expectation that the employee will work more than one thousand five hundred hours in any year unless full-time employment is defined differently in an applicable collective bargaining agreement."

In line 206 of the title, after "3923.91," insert "4113.11,"

Delete lines 74779 through 74812 and insert:

" **Sec. 5111.0210.** As used in this section, "advanced diagnostic imaging services" means magnetic resonance imaging services, computed tomography services, positron emission tomography services, cardiac nuclear medicine services, and similar imaging services.

Not later than January 1, 2010, the department of job and family services shall implement evidence-based, best practice guidelines or protocols and decision support tools for advanced diagnostic imaging services available under the fee-for-service component of the medicaid program."

In line 41863, delete " and shall be renewable" and insert " , except that the state board, on a case-by-case basis, may extend the license's duration as necessary to enable the license holder to complete the Ohio teacher residency program established under section 3319.223 of the Revised Code"

In line 41892, delete the underlined semicolon

Delete lines 41893 and 41894

In line 41895, delete all before the underlined period

In line 41907, delete the underlined semicolon

Delete lines 41908 and 41909

In line 41910, delete all before the underlined period

In line 41927, delete the underlined semicolon

Delete lines 41928 and 41929

In line 41930, delete all before the underlined period

In line 41934, delete all after the underlined period

Delete lines 41935 through 41943

In line 42180, delete all after " (3)"

Delete line 42181

In line 42182, delete " (4)"

In line 42381, strike through "and shall"; strike through "be renewable" and insert " , except that the state board, on a case-by-case basis, may extend the license's duration as necessary to enable the license holder to complete the Ohio teacher residency program established under section 3319.223 of the Revised Code"

In line 42386, delete all before the underlined semicolon

In line 42399, delete " At least four" and insert " Four"

In line 43058, delete " and student"

Delete line 43059

In line 43060, delete all before the underlined period

Between lines 43060 and 43061, insert:

" (7) Develop a method of measuring the academic improvement made by individual students during a one-year period and make recommendations for incorporating the measurement as one of multiple evaluation criteria into each of the following:

(a) Eligibility for a professional educator license, senior professional educator license, lead professional educator license, or principal license issued

under section 3319.22 of the Revised Code;

(b) The Ohio teacher residency program established under section 3319.223 of the Revised Code;

(c) The model teacher and principal evaluation instruments and processes developed under division (F)(6) of this section."

In line 33974, after " chancellor" insert " of the Ohio board of regents"

In line 33976, after the underlined period insert " The superintendent may consult with the chancellor in developing the plan."

In line 41420, delete " nine" and insert " seven"

In line 442, after "3333.39," insert "3333.391, 3333.392,"

In line 44392, after "3333.372," insert " 3333.391,"

In line 44438, after " (B)" insert " The Ohio teaching fellows program established under sections 3333.391 and 3333.392 of the Revised Code;

(C)"

In line 44440, delete " (C)" and insert " (D)"

In line 44442, delete " (D)" and insert " (E)"

Between lines 44443 and 44444, insert:

" **Sec. 3333.391.** (A) As used in this section and in section 3333.392 of the Revised Code:

(1) "Academic year" shall be as defined by the chancellor of the Ohio board of regents.

(2) "Hard-to-staff school" and "hard-to-staff subject" shall be as defined by the department of education.

(3) "Parent" means the parent, guardian, or custodian of a qualified student.

(4) "Qualified service" means teaching at a qualifying school.

(5) "Qualifying school" means a hard-to-staff school district building or a school district building that has a performance rating of academic watch or academic emergency under section 3302.03 of the Revised Code at the time the recipient becomes employed by the district.

(B) If the chancellor of the Ohio board of regents determines that sufficient funds are available from general revenue fund appropriations made to the Ohio board of regents or to the chancellor, the chancellor and the superintendent of public instruction jointly may develop and agree on a plan for the Ohio teaching fellows program to promote and encourage high school seniors to enter and remain in the teaching profession. Upon agreement of such a plan, the chancellor shall establish and administer the program in conjunction

with the superintendent and with the cooperation of teacher training institutions. Under the program, the chancellor annually shall provide scholarships to students who commit to teaching in a qualifying school for a minimum of four years upon graduation from a teacher training program at a state institution of higher education or an Ohio nonprofit institution of higher education that has a certificate of authorization under Chapter 1713. of the Revised Code. The scholarships shall be for up to four years at the undergraduate level at an amount determined by the chancellor based on state appropriations.

(C) The chancellor shall adopt a competitive process for awarding scholarships under the teaching fellows program, which shall include minimum grade point average and scores on national standardized tests for college admission. The process shall also give additional consideration to all of the following:

(1) A person who has participated in the program described in division (A) of section 3333.39 of the Revised Code;

(2) A person who plans to specialize in teaching students with special needs;

(3) A person who plans to teach in the disciplines of science, technology, engineering, or mathematics.

The chancellor shall require that all applicants to the teaching fellows program shall file a statement of service status in compliance with section 3345.32 of the Revised Code, if applicable, and that all applicants have not been convicted of, plead guilty to, or adjudicated a delinquent child for any violation listed in section 3333.38 of the Revised Code.

(D) Teaching fellows shall complete the four-year teaching commitment within not more than seven years after graduating from the teacher training program. Failure to fulfill the commitment shall convert the scholarship into a loan to be repaid under section 3333.392 of the Revised Code.

(E) The chancellor shall adopt rules in accordance with Chapter 119. of the Revised Code to administer this section and section 3333.392 of the Revised Code.

Sec. 3333.392. (A) Each recipient who accepts a scholarship under the Ohio teaching fellows program created under section 3333.391 of the Revised Code, or the recipient's parent if the recipient is younger than eighteen years of age, shall sign a promissory note payable to the state in the event the recipient does not satisfy the service requirement of division (D) of section 3333.391 of the Revised Code or the scholarship is terminated. The amount payable under the note shall be the amount of total scholarships accepted by the recipient under the program plus ten per cent interest accrued annually beginning on the first day of September after graduating from the teacher training program or immediately after termination of the scholarship. The period of repayment under the note shall be determined by the chancellor of the Ohio board of regents. The note

shall stipulate that the obligation to make payments under the note is canceled following completion of four years of qualified service by the recipient in accordance with division (D) of section 3333.391 of the Revised Code, or if the recipient dies, becomes totally and permanently disabled, or is unable to complete the required qualified service as a result of a reduction in force at the recipient's school of employment before the obligation under the note has been satisfied.

(B) Repayment of the principal amount of the scholarship and interest accrued shall be deferred while the recipient is enrolled in an approved teaching program, while the recipient is seeking employment to fulfill the service obligation, for a period not to exceed six months, or while the recipient is engaged in qualified service.

(C) During the seven-year period following the recipient's graduation from an approved teaching program, the chancellor shall deduct twenty-five per cent of the outstanding balance that may be converted to a loan for each year the recipient teaches at a qualifying school.

(D) The chancellor may terminate the scholarship, in which case the scholarship shall be converted to a loan to be repaid under division (A) of this section.

(E) The scholarship shall be deemed terminated upon the recipient's withdrawal from school or the recipient's failure to meet the standards of the scholarship as determined by the chancellor and shall be converted to a loan to be repaid under division (A) of this section.

(F) The chancellor and the attorney general shall collect payments on the converted loan in accordance with section 131.02 of the Revised Code."

In line 45945, after " ~~3333.27,~~" insert " 3333.391,"

In line 106541, after "3333.38," insert "3333.391, 3333.392,"

In line 202 of the title, after "3333.39," insert "3333.391, 3333.392,"

Between lines 95937 and 95938, insert:

"**Section 265.70.50.** (A) Not later than December 31, 2010, the Department of Education, in consultation with the Educator Standards Board, shall develop a model peer assistance and review program and shall develop recommendations to expand the use of peer assistance and review programs in school districts throughout the state.

(B) In developing the model program required under this section, the Department shall review existing peer assistance and review programs in Ohio school districts and shall consult with the districts about the operation of those programs. The model program shall include the following elements:

(1) Releasing experienced classroom teachers from instructional duties for up to three years to focus full-time on mentoring and evaluating new teachers

and underperforming veteran teachers through classroom observations and follow-up meetings;

(2) Professional development for new and underperforming teachers that is targeted at their instructional weaknesses;

(3) A committee comprised of representatives of teachers and the employer to review teacher evaluations and make recommendations regarding the teachers' continued employment.

(C) The recommendations required under this section shall include the following:

(1) Identification of barriers to expansion of peer assistance and review programs, including financial constraints, labor-management relationships, and barriers unique to small school districts;

(2) Legislative changes that would eliminate barriers to expansion of the programs;

(3) Incentives to increase participation in the programs.

(D) The Department shall provide copies of its model program and recommendations to the Governor, the President and Minority Leader of the Senate, the Speaker and Minority Leader of the House of Representatives, and the chairpersons and ranking minority members of the standing committees on education. The Department also shall make the model program and recommendations available to school districts and shall post them on its web site."

In line 33226, delete all after " 3301.041." and insert " The"

In line 33227, delete " broadcast live" and insert " make available"; delete " all" and insert " an audio recording of each"

In line 33228, delete " meetings" and insert " meeting"; after " board" insert " conducted on or after the effective date of this section. The state board shall make the audio recording available not later than five business days after the conclusion of each such meeting"

In line 33229, delete " broadcast" and insert " make available audio recordings of"

In line 436, after "3301.0719," insert "3301.0721,"

In line 440, after "3313.461," insert "3313.6015,"

In line 33901, delete " kindergarten" and insert " seven"

Between lines 33910 and 33911, insert:

" **Sec. 3301.0721.** The superintendent of public instruction shall develop a model curriculum for instruction in college and career readiness and financial literacy. The curriculum shall focus on grades seven through twelve, but the

superintendent may include other grade levels. When the model curriculum has been developed, the department of education shall notify all school districts, community schools established under Chapter 3314. of the Revised Code, and STEM schools established under Chapter 3326. of the Revised Code of the content of the curriculum. Any district or school may utilize the model curriculum."

Between lines 37085 and 37086, insert:

" **Sec. 3313.6015.** The board of education of each city, exempted village, and local school district shall adopt a resolution describing how the district will address college and career readiness and financial literacy in its curriculum for grade seven or eight and for any other grades in which the board determines that those subjects should be addressed. The board shall submit a copy of the resolution to the department of education."

In line 38419, after "3313.6014," insert " 3313.6015,"

In line 43401, after "3313.6014," insert " 3313.6015,"

In line 196 of the title, after "3301.0719," insert "3301.0721,"

In line 200 of the title, after "3313.461," insert "3313.6015,"

In line 437, after "3301.64," insert "3301.82,"

Between lines 35138 and 35139, insert:

" **Sec. 3301.82.** (A) The superintendent of public instruction may create the center for creativity and innovation in the department of education. If created, the center shall assist schools in city, exempted village, local, and joint vocational school districts, educational service centers, community schools established under Chapter 3314. of the Revised Code, and STEM schools established under Chapter 3326. of the Revised Code with any of the following:

(1) The design and implementation of strategies and systems that enable schools to become professional learning communities, including the following:

(a) Mentoring and coaching teachers and support staff;

(b) Enabling school principals to focus on supporting instruction and engaging teachers and support staff as part of the instructional leadership team so that teachers and staff may share the responsibility for making and implementing school decisions;

(c) Adopting new models for restructuring the learning day or year, such as including teacher planning and collaboration time as part of the school day;

(d) Creating smaller schools or smaller units within larger schools to facilitate teacher collaboration to improve and advance the professional practice of teaching and to enhance instruction that yields enhanced student achievement.

(2) The use of strategies in collaboration with the teach Ohio program to promote, recruit, and enhance the teaching profession, including:

(a) The design and implementation of "grow your own" recruitment and retention strategies that are designed to support individuals in becoming licensed teachers, to retain highly qualified teachers, to assist experienced teachers in obtaining licensure in subject areas for which there is need, to assist teachers in obtaining senior professional educator and lead professional educator licenses, and to assist teachers to grow and develop in the profession;

(b) Enhanced conditions for new teachers;

(c) Incentives to attract qualified mathematics, science, or special education teachers;

(d) The development and implementation of a partnership with teacher preparation programs at colleges and universities to help attract teachers qualified to teach in shortage areas;

(e) The implementation of a program to increase the cultural competency of both new and veteran teachers.

(3) Identifying statutes, rules, and regulations that impede the adoption of innovative practices and make recommendations to the superintendent of public instruction for the repeal, rescission, revision, or waiver of those provisions;

(4) Identifying promising programs and practices based on high quality education research and developing models for their early adoption, including research and practices in arts education and creativity;

(5) Other duties as assigned by the superintendent of public instruction.

(B) If created, the center shall promote collaboration between school districts and community schools established under Chapter 3314. of the Revised Code to enhance the academic programs of both and to broaden the application of successful and innovative academic practices developed by community schools. In doing so, the center shall work with the office of community schools to do the following:

(1) Study, gather information concerning, and serve as a clearinghouse of best practices and innovative programming developed and utilized by community schools that could be adopted by school districts;

(2) Identify circumstances in which students could benefit from collaboration between the complementary programs of school districts and community schools.

(C) The department may accept, receive, and expend gifts, devises, or bequests of money, lands, or other properties for the center for creativity and innovation. The state board of education may adopt rules for the purpose of enabling the center to carry out the conditions and limitations upon which a bequest, gift, or endowment is made."

In line 197 of the title, after "3301.64," insert "3301.82,"

In line 342, delete "3313.46,"

In line 440, delete "3313.461,"

Delete lines 36390 through 36492

In line 90844, delete "3313.46,"

In line 67 of the title, delete "3313.46,"

In line 200 of the title, delete "3313.461,"

In line 343, after "3313.65," insert "3313.713,"

Between lines 37763 and 37764, insert:

"**Sec. 3313.713.** (A) As used in this section:

(1) "Drug" means a drug, as defined in section 4729.01 of the Revised Code, that is to be administered pursuant to the instructions of the prescriber, whether or not required by law to be sold only upon a prescription.

(2) "Federal law" means the "Individuals with Disabilities Education Act of 1997," 111 Stat. 37, 20 U.S.C. 1400, as amended.

(3) "Prescriber" has the same meaning as in section 4729.01 of the Revised Code.

(B) The board of education of each city, local, exempted village, and joint vocational school district shall, not later than one hundred twenty days after September 20, 1984, adopt a policy on the authority of its employees, when acting in situations other than those governed by sections 2305.23, 2305.231, and 3313.712 of the Revised Code, to administer drugs prescribed to students enrolled in the schools of the district. The policy shall provide either that:

(1) Except as otherwise required by federal law, no person employed by the board shall, in the course of such employment, administer any drug prescribed to any student enrolled in the schools of the district.

(2) Designated persons employed by the board are authorized to administer to a student a drug prescribed for the student. Effective July 1, 2011, only employees of the board who are licensed health professionals, or who have completed a drug administration training program conducted by a licensed health professional and considered appropriate by the board, may administer to a student a drug prescribed for the student. Except as otherwise provided by federal law, the board's policy may provide that certain drugs or types of drugs shall not be administered or that no employee ~~, or no employee without appropriate training,~~ shall use certain procedures, such as injection, to administer a drug to a student.

(C) No drug prescribed for a student shall be administered pursuant to federal law or a policy adopted under division (B) of this section until the following occur:

(1) The board, or a person designated by the board, receives a written request, signed by the parent, guardian, or other person having care or charge of

the student, that the drug be administered to the student.

(2) The board, or a person designated by the board, receives a statement, signed by the prescriber, that includes all of the following information:

(a) The name and address of the student;

(b) The school and class in which the student is enrolled;

(c) The name of the drug and the dosage to be administered;

(d) The times or intervals at which each dosage of the drug is to be administered;

(e) The date the administration of the drug is to begin;

(f) The date the administration of the drug is to cease;

(g) Any severe adverse reactions that should be reported to the prescriber and one or more phone numbers at which the prescriber can be reached in an emergency;

(h) Special instructions for administration of the drug, including sterile conditions and storage.

(3) The parent, guardian, or other person having care or charge of the student agrees to submit a revised statement signed by the prescriber to the board or a person designated by the board if any of the information provided by the prescriber pursuant to division (C)(2) of this section changes.

(4) The person authorized by the board to administer the drug receives a copy of the statement required by division (C)(2) or (3) of this section.

(5) The drug is received by the person authorized to administer the drug to the student for whom the drug is prescribed in the container in which it was dispensed by the prescriber or a licensed pharmacist.

(6) Any other procedures required by the board are followed.

(D) If a drug is administered to a student, the board of education shall acquire and retain copies of the written requests required by division (C)(1) and the statements required by divisions (C)(2) and (3) of this section and shall ensure that by the next school day following the receipt of any such statement a copy is given to the person authorized to administer drugs to the student for whom the statement has been received. The board, or a person designated by the board, shall establish a location in each school building for the storage of drugs to be administered under this section and federal law. All such drugs shall be stored in that location in a locked storage place, except that drugs that require refrigeration may be kept in a refrigerator in a place not commonly used by students.

(E) No person who has been authorized by a board of education to administer a drug and has a copy of the most recent statement required by division (C)(2) or (3) of this section given to the person in accordance with

division (D) of this section prior to administering the drug is liable in civil damages for administering or failing to administer the drug, unless such person acts in a manner that constitutes gross negligence or wanton or reckless misconduct.

(F) A board of education may designate a person or persons to perform any function or functions in connection with a drug policy adopted under this section either by name or by position, training, qualifications, or similar distinguishing factors.

Nothing in this section shall be construed to require a person employed by a board of education to administer a drug to a student unless the board's policy adopted in compliance with this section establishes such a requirement. A board shall not require an employee to administer a drug to a student if the employee objects, on the basis of religious convictions, to administering the drug.

A policy adopted by a board of education pursuant to this section may be changed, modified, or revised by action of the board.

Nothing in this section affects the application of section 2305.23, 2305.231, or 3313.712 of the Revised Code to the administration of emergency care or treatment to a student."

In line 90845, after "3313.65," insert "3313.713,"

In line 68 of the title, after "3313.65," insert "3313.713,"

In line 346, after "3319.08," insert "3319.081,"

Between lines 41446 and 41447, insert:

"**Sec. 3319.081.** Except as otherwise provided in division (G) of this section, in all school districts wherein the provisions of Chapter 124. of the Revised Code do not apply, the following employment contract system shall control for employees whose contracts of employment are not otherwise provided by law:

(A) Newly hired regular nonteaching school employees, including regular hourly rate and per diem employees, shall enter into written contracts for their employment which shall be for a period of not more than one year. If such employees are rehired, their subsequent contract shall be for a period of two years.

(B) After the termination of the two-year contract provided in division (A) of this section, if the contract of a nonteaching employee is renewed, the employee shall be continued in employment, and the salary provided in the contract may be increased but not reduced unless such reduction is a part of a uniform plan affecting the nonteaching employees of the entire district.

(C) The contracts as provided for in this section may be terminated by a majority vote of the board of education. Except as provided in ~~sections~~

~~3319.0810 and~~ section 3319.172 of the Revised Code, the contracts may be terminated only for violation of written rules and regulations as set forth by the board of education or for incompetency, inefficiency, dishonesty, drunkenness, immoral conduct, insubordination, discourteous treatment of the public, neglect of duty, or any other acts of misfeasance, malfeasance, or nonfeasance. In addition to the right of the board of education to terminate the contract of an employee, the board may suspend an employee for a definite period of time or demote the employee for the reasons set forth in this division. The action of the board of education terminating the contract of an employee or suspending or demoting the employee shall be served upon the employee by certified mail. Within ten days following the receipt of such notice by the employee, the employee may file an appeal, in writing, with the court of common pleas of the county in which such school board is situated. After hearing the appeal the common pleas court may affirm, disaffirm, or modify the action of the school board.

A violation of division (A)(7) of section 2907.03 of the Revised Code is grounds for termination of employment of a nonteaching employee under this division.

(D) All employees who have been employed by a school district where the provisions of Chapter 124. of the Revised Code do not apply, for a period of at least three years on November 24, 1967, shall hold continuing contracts of employment pursuant to this section.

(E) Any nonteaching school employee may terminate the nonteaching school employee's contract of employment thirty days subsequent to the filing of a written notice of such termination with the treasurer of the board.

(F) A person hired exclusively for the purpose of replacing a nonteaching school employee while such employee is on leave of absence granted under section 3319.13 of the Revised Code is not a regular nonteaching school employee under this section.

(G) All nonteaching employees employed pursuant to this section and Chapter 124. of the Revised Code shall be paid for all time lost when the schools in which they are employed are closed owing to an epidemic or other public calamity. Nothing in this division shall be construed as requiring payment in excess of an employee's regular wage rate or salary for any time worked while the school in which the employee is employed is officially closed for the reasons set forth in this division."

In line 90848, after "3319.08," insert "3319.081,"

In line 90943, after "3314.15," insert "3319.0810,"

In line 73 of the title, after "3319.08," insert "3319.081,"

In line 234 of the title, after "3314.15," insert "3319.0810,"

In line 390, delete "4753.02,"

In line 391, delete "4753.05, 4753.073, 4753.11,"

In line 421, delete "4753.073 (3319.227),"

Delete lines 42194 through 42248

Delete lines 69995 through 70083

In line 90892, delete "4753.02,"

In line 90893, delete "4753.05, 4753.073, 4753.11,"

In line 90950, delete "4753.101,"

Delete lines 95938 through 95962

In line 134 of the title, delete "4753.02, 4753.05,"

In line 135 of the title, delete "4753.073, 4753.11,"

In line 177 of the title, delete "4753.073 (3319.227),"

In line 243 of the title, delete "4753.101,"

In line 349, delete "3321.07,"

Delete lines 43148 through 43164

In line 90851, delete "3321.07,"

In line 77 of the title, delete "3321.07,"

In line 438, after "3304.182," insert "3306.50, 3306.51, 3306.52, 3306.53, 3306.54, 3306.55, 3306.56, 3306.57, 3306.58,"

Between lines 35657 and 35658, insert:

" **Sec. 3306.50.** (A) The Harmon commission is hereby created.

The commission shall consist of the following twenty-one members:

(1) Six persons who are not also members of the general assembly, appointed by the president of the senate, upon consultation with the minority leader of the senate, two of whom are classroom teachers, two of whom are school administrators, and two of whom are instructors at an Ohio teacher preparation program;

(2) Six persons who are not also members of the general assembly, appointed by the speaker of the house of representatives, upon consultation with the minority leader of the house of representatives, two of whom are classroom teachers, two of whom are school administrators, and two of whom are instructors at an Ohio teacher preparation program;

(3) Nine persons appointed by the governor, three of whom are classroom teachers, three of whom are school administrators, and three of whom are instructors at an Ohio teacher preparation program.

The members appointed under divisions (A)(1) and (2) of this section

shall serve for the duration of the general assembly in which they were appointed.

The members appointed under division (A)(3) of this section shall serve for the duration of the term of the governor in which they were appointed.

Vacancies on the commission shall be filled in the manner of the initial appointments.

(B) The chairperson of the commission shall be selected by the governor from among the members of the commission.

(C) The members of the commission shall serve without compensation but shall be paid by the department of education their necessary and actual expenses incurred while engaged in the business of the commission.

Sec. 3306.51. The Harmon commission shall review and approve or disapprove applications from city, exempted village, and local school districts and community schools established under Chapter 3314. of the Revised Code for individual classrooms to be designated as creative learning environments. To be eligible for designation of one or more of its classrooms as a creative learning environment, a community school shall enter into a memorandum of understanding, approved by the department of education, with one or more school districts that specifies a collaborative agreement to share programming and resources to promote successful academic achievement for students and academic and fiscal efficiencies.

The commission shall designate a classroom as a creative learning environment if the commission determines that the classroom supports and emphasizes innovation in instruction methods and lesson plans and operates in accordance with the guidelines adopted by the state board of education under section 3306.52 of the Revised Code. Beginning July 1, 2010, a district or community school that has a classroom that is designated a creative learning environment may qualify for a grant or subsidy awarded by the commission under section 3306.58 of the Revised Code.

Sec. 3306.52. The state board of education shall do both of the following:

(A) Adopt guidelines for the Harmon commission to use in reviewing applications for creative learning environments.

(B) Direct the department of education to provide staff to assist the commission in carrying out the commission's duties under sections 3306.50 to 3306.58 of the Revised Code.

Sec. 3306.53. From January 1, 2010, through April 14, 2010, a city, exempted village, or local school district and a community school may submit to the Harmon commission an unlimited number of applications for first-time designation of individual classrooms as creative learning environments. No applications may be submitted between April 15, 2010, and July 1, 2010. After July 1, 2010, each city, exempted village, or local school district and each

eligible community school may submit only one application per fiscal year for first-time designation of one classroom as a creative learning environment.

Sec. 3306.54. Not later than the first day of May each year, the Harmon commission shall begin meeting to review pending applications for first-time designations submitted under section 3306.53 of the Revised Code. The commission shall approve or disapprove all pending applications by the first day of July. The decision of the commission is final.

Sec. 3306.55. (A) The Harmon commission's first-time designation of a classroom as a creative learning environment is valid for one fiscal year. A school district or community school may apply to have the designation renewed. The commission shall renew the designation for the next two fiscal years if the school district or community school applies for the renewal and the commission finds that the classroom continues to meet the guidelines adopted under section 3306.52 of the Revised Code. The commission shall not renew the designation if the school district or community school does not apply for renewal or if the commission determines that the classroom no longer meets those guidelines.

(B) At the end of a two-year renewal granted under division (A) of this section, and every two fiscal years thereafter, the designation of a classroom as a creative learning environment is automatically renewed, without need for application, for the next two fiscal years, unless the designation is revoked under division (C) of this section.

(C) If the department of education at any time finds that the classroom is no longer operating in accordance with the standards adopted under section 3306.52 of the Revised Code, the department shall appeal the designation to the commission not later than the fifteenth day of February. The commission shall review the operation of the classroom and either continue the designation or revoke the designation. A revocation shall take effect on the first day of July following the department's appeal.

(D) The decision of the commission under divisions (A) to (C) of this section is final.

(E) If the commission does not renew a designation of a classroom under division (A) of this section or revokes that designation under division (C) of this section, the district or community school may reapply for designation of the classroom under section 3306.53 of the Revised Code. That application shall be treated as a new application for first-time designation.

Sec. 3306.56. The city, exempted village, or local school district or community school that operates a classroom designated by the Harmon commission as a creative learning environment shall submit periodic progress reports on the operation and performance of the classroom to the department of education in the manner and by the deadlines prescribed by the department.

Sec. 3306.57. The department of education may accept, receive, and expend gifts, devises, or bequests of money, lands, or other properties for

operation of the Harmon commission and the award of grants and subsidies under section 3306.58 of the Revised Code. The state board of education may adopt rules for the purpose of enabling the department to carry out the conditions and limitations upon which a bequest, gift, or endowment is made.

Sec. 3306.58. Beginning July 1, 2010, to the extent the Harmon commission determines that sufficient funds are available, the commission may award grants or stipends to school districts and community schools that have one or more of their classrooms designated as creative learning environments under section 3306.51 of the Revised Code. The commission shall adopt procedures for application for and the award of grants or stipends under this section."

In line 106538, after "3301.95," insert "3306.50, 3306.51, 3306.52, 3306.53, 3306.54, 3306.55, 3306.56, 3306.57, 3306.58,"

In line 198 of the title, after "3304.182," insert "3306.50, 3306.51, 3306.52, 3306.53, 3306.54, 3306.55, 3306.56, 3306.57, 3306.58,"

In line 340, after "3301.075," insert "3301.079, 3301.0710, 3301.0711,"; after "3301.0714," insert "3301.0715, 3301.0716, 3301.0718,"

In line 341, after "3301.12," insert "3301.16,"; after "3301.56," insert "3302.01, 3302.02,"; after "3302.03," insert "3302.031, 3302.05, 3302.07,"

In line 342, after "3310.03," insert "3310.11,"; after "3313.53," insert "3313.532,"

In line 343, after "3313.603," insert "3313.608, 3313.61, 3313.611, 3313.612, 3313.614, 3313.615,"; after "3313.642," insert "3313.6410,"

In line 344, after "3313.978," insert "3314.012,"; after "3314.085," insert "3314.19, 3314.25,"

In line 345, after "3314.35," insert "3314.36,"

In line 347, after "3319.11," insert "3319.151,"

In line 350, after "3323.05," insert "3325.08,"; after "3326.11," insert "3326.14, 3326.23,"; after "3326.36," insert "3326.37,"; after "3333.122," insert "3333.123,"

In line 420, after "(173.422)," insert "3313.174 (3313.82),"

In line 424, after "173.43," insert "3301.0712,"

In line 441, after "3313.719," insert "3313.821, 3313.822,"

Delete lines 33236 through 33376 and insert:

"**Sec. 3301.07.** The state board of education shall exercise under the acts of the general assembly general supervision of the system of public education in the state. In addition to the powers otherwise imposed on the state board under the provisions of law, the board shall have the ~~following~~ powers ~~:~~ described in this section.

(A) ~~Exercise~~ The state board shall exercise policy forming, planning, and evaluative functions for the public schools of the state ~~, and for adult education,~~ except as otherwise provided by law ~~;~~ .

(B) ~~Exercise~~ (1) The state board shall exercise leadership in the improvement of public education in this state, and administer the educational policies of this state relating to public schools, and relating to instruction and instructional material, building and equipment, transportation of pupils, administrative responsibilities of school officials and personnel, and finance and organization of school districts, educational service centers, and territory. Consultative and advisory services in such matters shall be provided by the board to school districts and educational service centers of this state. ~~The~~

(2) The state board also shall develop a standard of financial reporting which shall be used by ~~all~~ each school ~~districts~~ district board of education and educational service ~~centers~~ center governing board to make ~~their~~ its financial information and annual budgets for each school building under its control available to the public in a format understandable by the average citizen ~~and provide year-to-year comparisons for at least five years~~. The format shall show, among other things, at the district and educational service center level or at the school building level, as determined appropriate by the department of education, revenue by source; expenditures for salaries, wages, and benefits of employees, showing such amounts separately for classroom teachers, other employees required to hold licenses issued pursuant to sections 3319.22 to 3319.31 of the Revised Code, and all other employees; expenditures other than for personnel, by category, including utilities, textbooks and other educational materials, equipment, permanent improvements, pupil transportation, extracurricular athletics, and other extracurricular activities; and per pupil expenditures.

(C) ~~Administer~~ The state board shall administer and supervise the allocation and distribution of all state and federal funds for public school education under the provisions of law, and may prescribe such systems of accounting as are necessary and proper to this function. It may require county auditors and treasurers, boards of education, educational service center governing boards, treasurers of such boards, teachers, and other school officers and employees, or other public officers or employees, to file with it such reports as it may prescribe relating to such funds, or to the management and condition of such funds.

(D) ~~Formulate~~ (1) Wherever in Titles IX, XXIII, XXIX, XXXIII, XXXVII, XLVII, and LI of the Revised Code a reference is made to standards prescribed under this section or division (D) of this section, that reference shall be construed to refer to the standards prescribed under division (D)(2) of this section, unless the context specifically indicates a different meaning or intent.

(2) The state board shall formulate and prescribe minimum standards to be applied to all elementary and secondary schools in this state for the purpose of requiring a general education of high quality. Such standards shall provide adequately for: the licensing of teachers, administrators, and other professional

personnel and their assignment according to training and qualifications; efficient and effective instructional materials and equipment, including library facilities; the proper organization, administration, and supervision of each school, including regulations for preparing all necessary records and reports and the preparation of a statement of policies and objectives for each school; buildings, grounds, health and sanitary facilities and services; admission of pupils, and such requirements for their promotion from grade to grade as will assure that they are capable and prepared for the level of study to which they are certified; requirements for graduation; and such other factors as the board finds necessary.

In the formulation and administration of such standards for nonpublic schools the board shall also consider the particular needs, methods and objectives of those schools, provided they do not conflict with the provision of a general education of a high quality and provided that regular procedures shall be followed for promotion from grade to grade of pupils who have met the educational requirements prescribed.

~~(E) May~~ In the formulation and administration of such standards as they relate to instructional materials and equipment in public schools, including library materials, the board shall require that the material and equipment be aligned with and promote skills expected under the statewide academic standards adopted under section 3301.079 of the Revised Code.

(3) In addition to the minimum standards required by division (D)(2) of this section, the state board shall formulate and prescribe the following additional minimum operating standards for school districts:

(a) Standards for the effective and efficient organization, administration, and supervision of each school district so that it becomes a thinking and learning organization according to principles of systems design and collaborative professional learning communities research as defined by the superintendent of public instruction, including a focus on the personalized and individualized needs of each student; a shared responsibility among school boards, administrators, faculty, and staff to develop a common vision, mission, and set of guiding principles; a shared responsibility among school boards, administrators, faculty, and staff to engage in a process of collective inquiry, action orientation, and experimentation to ensure the academic success of all students; commitment to teaching and learning strategies that utilize technological tools and emphasize inter-disciplinary, real-world, project-based, and technology-oriented learning experiences to meet the individual needs of every student; commitment to high expectations for every student and commitment to closing the achievement gap so that all students achieve core knowledge and skills in accordance with the statewide academic standards adopted under section 3301.079 of the Revised Code; commitment to the use of assessments to diagnose the needs of each student; effective connections and relationships with families and others that support student success; and commitment to the use of positive behavior intervention supports throughout a district to ensure a safe and secure learning environment for all students;

(b) Standards for the establishment of business advisory councils and family and civic engagement teams by school districts under sections 3313.82, 3313.821, and 3313.822 of the Revised Code;

(c) Standards incorporating the classifications for the components of the adequacy amount under Chapter 3306. of the Revised Code into core academic strategy components and academic improvement components, as specified in rules adopted under section 3306.25 of the Revised Code;

(d) Standards for school district organizational units, as defined in sections 3306.02 and 3306.04 of the Revised Code, that require:

(i) The effective and efficient organization, administration, and supervision of each school district organizational unit so that it becomes a thinking and learning organization according to principles of systems design and collaborative professional learning communities research as defined by the state superintendent, including a focus on the personalized and individualized needs of each student; a shared responsibility among organizational unit administrators, faculty, and staff to develop a common vision, mission, and set of guiding principles; a shared responsibility among organizational unit administrators, faculty, and staff to engage in a process of collective inquiry, action orientation, and experimentation to ensure the academic success of all students; commitment to job embedded professional development and professional mentoring and coaching; established periods of time for teachers to pursue planning time for the development of lesson plans, professional development, and shared learning; commitment to effective management strategies that allow administrators reasonable access to classrooms for observation and professional development experiences; commitment to teaching and learning strategies that utilize technological tools and emphasize inter-disciplinary, real-world, project-based, and technology-oriented learning experiences to meet the individual needs of every student; commitment to high expectations for every student and commitment to closing the achievement gap so that all students achieve core knowledge and skills in accordance with the statewide academic standards adopted under section 3301.079 of the Revised Code; commitment to the use of assessments to diagnose the needs of each student; effective connections and relationships with families and others that support student success; commitment to the use of positive behavior intervention supports throughout the organizational unit to ensure a safe and secure learning environment for all students;

(ii) A school organizational unit leadership team to coordinate positive behavior intervention supports, family and civic engagement services, learning environments, thinking and learning systems, collaborative planning, planning time, student academic interventions, student extended learning opportunities, and other activities identified by the team and approved by the district board of education. The team shall include the building principal, representatives from each collective bargaining unit, the building lead teacher, parents, business representatives, and others that support student success.

(E) The state board may require as part of the health curriculum information developed under section 2108.34 of the Revised Code promoting the donation of anatomical gifts pursuant to Chapter 2108. of the Revised Code and may provide the information to high schools, educational service centers, and joint vocational school district boards of education;

(F) ~~Prepare~~ The state board shall prepare and submit annually to the governor and the general assembly a report on the status, needs, and major problems of the public schools of the state, with recommendations for necessary legislative action and a ten-year projection of the state's public and nonpublic school enrollment, by year and by grade level ~~;~~ .

(G) ~~Prepare~~ The state board shall prepare and submit to the director of budget and management the biennial budgetary requests of the state board of education, for its agencies and for the public schools of the state ~~;~~ .

(H) ~~Cooperate~~ The state board shall cooperate with federal, state, and local agencies concerned with the health and welfare of children and youth of the state ~~;~~ .

(I) ~~Require~~ The state board shall require such reports from school districts and educational service centers, school officers, and employees as are necessary and desirable. The superintendents and treasurers of school districts and educational service centers shall certify as to the accuracy of all reports required by law or state board or state department of education rules to be submitted by the district or educational service center and which contain information necessary for calculation of state funding. Any superintendent who knowingly falsifies such report shall be subject to license revocation pursuant to section 3319.31 of the Revised Code.

(J) In accordance with Chapter 119. of the Revised Code, the state board shall adopt procedures, standards, and guidelines for the education of children with disabilities pursuant to Chapter 3323. of the Revised Code, including procedures, standards, and guidelines governing programs and services operated by county boards of mental retardation and developmental disabilities pursuant to section 3323.09 of the Revised Code ~~;~~ .

(K) For the purpose of encouraging the development of special programs of education for academically gifted children, the state board shall employ competent persons to analyze and publish data, promote research, advise and counsel with boards of education, and encourage the training of teachers in the special instruction of gifted children. The board may provide financial assistance out of any funds appropriated for this purpose to boards of education and educational service center governing boards for developing and conducting programs of education for academically gifted children.

(L) ~~Require~~ The state board shall require that all public schools emphasize and encourage, within existing units of study, the teaching of energy and resource conservation as recommended to each district board of education by leading business persons involved in energy production and conservation,

beginning in the primary grades ~~;~~ .

(M) ~~Formulate~~ The state board shall formulate and prescribe minimum standards requiring the use of phonics as a technique in the teaching of reading in grades kindergarten through three. In addition, the state board shall provide in-service training programs for teachers on the use of phonics as a technique in the teaching of reading in grades kindergarten through three.

~~(N) Develop and modify as necessary a state plan for technology to encourage and promote the use of technological advancements in educational settings.~~

The board may adopt rules necessary for carrying out any function imposed on it by law, and may provide rules as are necessary for its government and the government of its employees, and may delegate to the superintendent of public instruction the management and administration of any function imposed on it by law. It may provide for the appointment of board members to serve on temporary committees established by the board for such purposes as are necessary. Permanent or standing committees shall not be created.

Compliance with the standards adopted under divisions (B)(2) and (D) of this section, as they relate to the operation of a school operated by a school district, may be waived by the state superintendent pursuant to section 3306.40 of the Revised Code."

Between lines 33428 and 33429, insert:

"**Sec. 3301.079.** (A)(1) Not later than ~~December 31, 2001~~ June 30, 2010, and at least once every five years thereafter, the state board of education shall adopt statewide academic standards with emphasis on coherence, focus, and rigor for each of grades kindergarten through twelve in ~~reading, writing, and mathematics. Not later than December 31, 2002, the state board shall adopt statewide academic standards for each of grades kindergarten through twelve in science and social studies. The~~ English language arts, mathematics, science, and social studies.

The standards shall specify the following:

(a) The core academic content and skills that students are expected to know and be able to do at each grade level ~~.~~

~~(2)~~ that will allow each student to be prepared for postsecondary instruction and the workplace for success in the twenty-first century;

(b) The development of skill sets as they relate to creativity and innovation, critical thinking and problem solving, and communication and collaboration;

(c) The development of skill sets that promote information, media, and technological literacy;

(d) The development of skill sets that promote personal management, productivity and accountability, and leadership and responsibility;

(e) Interdisciplinary, project-based, real-world learning opportunities.

(2) After completing the standards required by division (A)(1) of this section, the state board shall adopt standards and model curricula for instruction in computer literacy, financial literacy and entrepreneurship, fine arts, and foreign language for grades kindergarten through twelve. The standards shall meet the same requirements prescribed in divisions (A)(1)(a) to (e) of this section.

(3) The state board shall adopt the most recent standards developed by the national association for sport and physical education for physical education in grades kindergarten through twelve or shall adopt its own standards for physical education in those grades and revise and update them periodically.

The department shall employ a full-time physical education coordinator to provide guidance and technical assistance to districts, community schools, and STEM schools in implementing the physical education standards adopted under this division. The superintendent of public instruction shall determine that the person employed as coordinator is qualified for the position, as demonstrated by possessing an adequate combination of education, license, and experience.

(4) When academic standards have been completed for any subject area required by this ~~division~~ section, the state board shall inform all school districts , all community schools established under Chapter 3314. of the Revised Code, all STEM schools established under Chapter 3326. of the Revised Code, and all nonpublic schools required to administer the assessments prescribed by sections 3301.0710 and 3301.0712 of the Revised Code of the content of those standards.

(B) Not later than ~~eighteen months after the completion of academic standards for any subject area required by division (A) of this section~~ March 31, 2011, the state board shall adopt a model curriculum for instruction in ~~that~~ each subject area for which updated academic standards are required by division (A)(1) of this section and for each of grades kindergarten through twelve that is sufficient to meet the needs of students in every community. The model curriculum shall be aligned with the standards , to ensure that the academic content and skills specified for each grade level are taught to students , and shall demonstrate vertical articulation and emphasize coherence, focus, and rigor. When any model curriculum has been completed, the state board shall inform all school districts , community schools, and STEM schools of the content of that model curriculum.

All school districts , community schools, and STEM schools may utilize the state standards and the model curriculum established by the state board, together with other relevant resources, examples, or models to ensure that students have the opportunity to attain the academic standards. Upon request, the department of education shall provide technical assistance to any district , community school, or STEM school in implementing the model curriculum.

Nothing in this section requires any school district to utilize all or any part of a model curriculum developed under this division.

(C) The state board shall develop achievement ~~tests~~ assessments aligned with the academic standards and model curriculum for each of the subject areas and grade levels required by divisions (A)(1) and (B)(1) of section 3301.0710 of the Revised Code.

When any achievement ~~test~~ assessment has been completed, the state board shall inform all school districts , community schools, STEM schools, and nonpublic schools required to administer the assessment of its completion, and the department of education shall make the achievement ~~test~~ assessment available to the districts and schools. ~~School districts shall administer the achievement test beginning in the school year indicated in section 3301.0712 of the Revised Code.~~

(D)(1) The state board shall adopt a diagnostic assessment aligned with the academic standards and model curriculum for each of grades kindergarten through two in ~~reading, writing,~~ English language arts and mathematics and for grade three in ~~writing~~ English language arts. The diagnostic assessment shall be designed to measure student comprehension of academic content and mastery of related skills for the relevant subject area and grade level. Any diagnostic assessment shall not include components to identify gifted students. Blank copies of diagnostic ~~tests~~ assessments shall be public records.

(2) When each diagnostic assessment has been completed, the state board shall inform all school districts of its completion and the department of education shall make the diagnostic assessment available to the districts at no cost to the district. School districts shall administer the diagnostic assessment pursuant to section 3301.0715 of the Revised Code beginning the first school year following the development of the assessment.

(E) The state board shall not adopt a diagnostic or achievement assessment for any grade level or subject area other than those specified in this section.

(F) Whenever the state board or the department of education consults with persons for the purpose of drafting or reviewing any standards, diagnostic assessments, achievement ~~tests~~ assessments, or model curriculum required under this section, the state board or the department shall first consult with parents of students in kindergarten through twelfth grade and with active Ohio classroom teachers, other school personnel, and administrators with expertise in the appropriate subject area. Whenever practicable, the state board and department shall consult with teachers recognized as outstanding in their fields.

If the department contracts with more than one outside entity for the development of the achievement ~~tests~~ assessments required by this section, the department shall ensure the interchangeability of those ~~tests~~ assessments.

~~(F)~~ (G) The fairness sensitivity review committee, established by rule of the state board of education, shall not allow any question on any achievement ~~test~~ or diagnostic assessment developed under this section or any proficiency test prescribed by former section 3301.0710 of the Revised Code, as it existed prior

to September 11, 2001, to include, be written to promote, or inquire as to individual moral or social values or beliefs. The decision of the committee shall be final. This section does not create a private cause of action.

(H) Not later than forty-five days prior to the initial deadline established under division (A)(1) of this section and the deadline established under division (B) of this section, the superintendent of public instruction shall present the academic standards or model curricula, as applicable, to the respective committees of the house of representatives and senate that consider education legislation.

(I) As used in this section:

(1) "Coherence" means a reflection of the structure of the discipline being taught.

(2) "Focus" means limiting the number of items included in a curriculum to allow for deeper exploration of the subject matter.

(3) "Rigor" means more challenging and demanding when compared to international standards.

(4) "Vertical articulation" means key academic concepts and skills associated with mastery in particular content areas should be articulated and reinforced in a developmentally appropriate manner at each grade level so that over time students acquire a depth of knowledge and understanding in the core academic disciplines.

Sec. 3301.0710. The state board of education shall adopt rules establishing a statewide program to ~~test~~ assess student achievement. The state board shall ensure that all ~~tests~~ assessments administered under the ~~testing~~ program are aligned with the academic standards and model curricula adopted by the state board and are created with input from Ohio parents, Ohio classroom teachers, Ohio school administrators, and other Ohio school personnel pursuant to section 3301.079 of the Revised Code.

The ~~testing~~ assessment program shall be designed to ensure that students who receive a high school diploma demonstrate at least high school levels of achievement in ~~reading, writing~~ English language arts, mathematics, science, and social studies , and other skills necessary in the twenty-first century.

(A)(1) The state board shall prescribe all of the following:

(a) Two statewide achievement ~~tests~~ assessments, one each designed to measure the level of ~~reading~~ English language arts and mathematics skill expected at the end of third grade;

(b) ~~Three~~ Two statewide achievement ~~tests~~ assessments, one each designed to measure the level of ~~reading, writing,~~ English language arts and mathematics skill expected at the end of fourth grade;

(c) Four statewide achievement ~~tests~~ assessments, one each designed to measure the level of ~~reading~~ English language arts, mathematics, science, and

social studies skill expected at the end of fifth grade;

(d) Two statewide achievement ~~tests~~ assessments, one each designed to measure the level of ~~reading~~ English language arts and mathematics skill expected at the end of sixth grade;

(e) ~~Three~~ Two statewide achievement ~~tests~~ assessments, one each designed to measure the level of ~~reading, writing,~~ English language arts and mathematics skill expected at the end of seventh grade;

(f) Four statewide achievement ~~tests~~ assessments, one each designed to measure the level of ~~reading~~ English language arts, mathematics, science, and social studies skill expected at the end of eighth grade.

(2) The state board shall determine and designate at least ~~five~~ three ranges of scores on each of the achievement ~~tests~~ assessments described in divisions (A)(1) and (B) (1) of this section. Each range of scores shall be deemed to demonstrate a level of achievement so that any student attaining a score within such range has achieved one of the following:

(a) An advanced level of skill;

(b) ~~An accelerated level of skill;~~

~~(c)~~ A proficient level of skill;

~~(d) A basic level of skill ;~~

~~(e)~~ (c) A limited level of skill.

(B) (1) The ~~tests~~ assessments prescribed under ~~this~~ division (B)(1) of this section shall collectively be known as the Ohio graduation tests. The state board shall prescribe five statewide high school achievement ~~tests~~ assessments, one each designed to measure the level of reading, writing, mathematics, science, and social studies skill expected at the end of tenth grade. The state board shall designate a score in at least the range designated under division (A)(2) ~~(c)~~ (b) of this section on each such ~~test~~ assessment that shall be deemed to be a passing score on the ~~test~~ assessment as a condition toward granting high school diplomas under sections 3313.61, 3313.611, 3313.612, and 3325.08 of the Revised Code until the assessment system prescribed by section 3301.0712 of the Revised Code is implemented in accordance with rules adopted by the state board under division (E) of that section.

(2) The state board shall prescribe an assessment system in accordance with section 3301.0712 of the Revised Code that shall replace the Ohio graduation tests in the manner prescribed by rules adopted by the state board under division (E) of that section.

(3) The state board may enter into a reciprocal agreement with the appropriate body or agency of any other state that has similar statewide achievement ~~testing~~ assessment requirements for receiving high school diplomas, under which any student who has met an achievement ~~testing~~ assessment requirement of one state is recognized as having met the similar

~~achievement testing~~ requirement of the other state for purposes of receiving a high school diploma. For purposes of this section and sections 3301.0711 and 3313.61 of the Revised Code, any student enrolled in any public high school in this state who has met an achievement ~~testing~~ assessment requirement specified in a reciprocal agreement entered into under this division shall be deemed to have attained at least the applicable score designated under this division on each ~~test~~ assessment required by ~~this~~ division (B)(1) or (2) of this section that is specified in the agreement.

(C) ~~Except as provided in division (H) of this section, the state board shall annually designate as follows the dates on which the tests prescribed under this section shall be administered:~~

~~(1) For the reading test prescribed under division (A)(1)(a) of this section, as follows:~~

~~(a) One date prior to the thirty-first day of December each school year;~~

~~(b) At least one date of each school year that is not earlier than Monday of the week containing the twenty-fourth day of April.~~

~~(2) For the mathematics test prescribed under division (A)(1)(a) of this section and the tests prescribed under divisions (A)(1)(b), (c), (d), (e), and (f) of this section, at least one date of each school year that is not earlier than Monday of the week containing the twenty-fourth day of April;~~

~~(3) For the tests prescribed under division (B) of this section, at least one date in each school year that is not earlier than Monday of the week containing the fifteenth day of March for all tenth grade students and at least one date prior to the thirty-first day of December and at least one date subsequent to that date but prior to the thirty-first day of March of each school year for eleventh and twelfth grade students.~~

~~(D) In prescribing test dates pursuant to division (C)(3) of this section, the state board shall, to the greatest extent practicable, provide options to school districts in the case of tests administered under that division to eleventh and twelfth grade students and in the case of tests administered to students pursuant to division (C)(2) of section 3301.0711 of the Revised Code. Such options shall include at least an opportunity for school districts to give such tests outside of regular school hours.~~

~~(E) In~~ The superintendent of public instruction shall designate dates and times for the administration of the assessments prescribed by divisions (A) and (B) of this section.

In prescribing ~~test~~ administration dates pursuant to this ~~section~~ division, the ~~state board of education~~ superintendent shall designate the dates in such a way as to allow a reasonable length of time between the administration of ~~tests~~ assessments prescribed under this section and any administration of the ~~National Assessment~~ national assessment of ~~Education Progress Test~~ educational progress given to students in the same grade level pursuant to section 3301.27 of the

Revised Code or federal law.

~~(F)~~ (D) The state board shall prescribe a practice version of each Ohio graduation test described in division (B) (1) of this section that is of comparable length to the actual test.

~~(G)~~ (E) Any committee established by the department of education for the purpose of making recommendations to the state board regarding the state board's designation of scores on the ~~tests~~ assessments described by this section shall inform the state board of the probable percentage of students who would score in each of the ranges established under division (A)(2) of this section on the ~~tests~~ assessments if the committee's recommendations are adopted by the state board. To the extent possible, these percentages shall be disaggregated by gender, major racial and ethnic groups, limited English proficient students, economically disadvantaged students, students with disabilities, and migrant students.

If the state board intends to make any change to the committee's recommendations, the state board shall explain the intended change to the Ohio accountability task force established by section 3302.021 of the Revised Code. The task force shall recommend whether the state board should proceed to adopt the intended change. Nothing in this division shall require the state board to designate ~~test~~ assessment scores based upon the recommendations of the task force.

~~(H)(1) The state board shall require any alternate assessment administered to a student under division (C)(1) of section 3301.0711 of the Revised Code to be completed and submitted to the entity with which the department contracts for the scoring of the test not later than the first day of April of the school year in which the test is administered.~~

~~(2) For any test prescribed by this section, the state board may designate a date one week earlier than the applicable date designated under division (C) of this section for the administration of the test to limited English proficient students.~~

~~(3) In designating days for the administration of the tests prescribed by division (A) of this section, the state board shall require the tests for each grade level to be administered over a period of two weeks.~~

Sec. 3301.0711. (A) The department of education shall:

(1) Annually furnish to, grade, and score all ~~tests~~ assessments required by divisions (A)(1) and (B)(1) of section 3301.0710 of the Revised Code to be administered by city, local, exempted village, and joint vocational school districts, except that each district shall score any ~~test~~ assessment administered pursuant to division (B)(10) of this section. Each ~~test~~ assessment so furnished shall include the data verification code of the student to whom the ~~test~~ assessment will be administered, as assigned pursuant to division (D)(2) of section 3301.0714 of the Revised Code. In furnishing the practice versions of Ohio graduation tests prescribed by division ~~(F)~~ (D) of section 3301.0710 of the

Revised Code, the department shall make the tests available on its web site for reproduction by districts. In awarding contracts for grading ~~tests~~ assessments, the department shall give preference to Ohio-based entities employing Ohio residents.

(2) Adopt rules for the ethical use of ~~tests~~ assessments and prescribing the manner in which the ~~tests~~ assessments prescribed by section 3301.0710 of the Revised Code shall be administered to students.

(B) Except as provided in divisions (C) and (J) of this section, the board of education of each city, local, and exempted village school district shall, in accordance with rules adopted under division (A) of this section:

(1) Administer the ~~reading test~~ English language arts assessments prescribed under division (A)(1)(a) of section 3301.0710 of the Revised Code twice annually to all students in the third grade who have not attained the score designated for that ~~test~~ assessment under division (A)(2) ~~(c)~~ (b) of section 3301.0710 of the Revised Code.

(2) Administer the mathematics ~~test~~ assessment prescribed under division (A)(1)(a) of section 3301.0710 of the Revised Code at least once annually to all students in the third grade.

(3) Administer the ~~tests~~ assessments prescribed under division (A)(1)(b) of section 3301.0710 of the Revised Code at least once annually to all students in the fourth grade.

(4) Administer the ~~tests~~ assessments prescribed under division (A)(1)(c) of section 3301.0710 of the Revised Code at least once annually to all students in the fifth grade.

(5) Administer the ~~tests~~ assessments prescribed under division (A)(1)(d) of section 3301.0710 of the Revised Code at least once annually to all students in the sixth grade.

(6) Administer the ~~tests~~ assessments prescribed under division (A)(1)(e) of section 3301.0710 of the Revised Code at least once annually to all students in the seventh grade.

(7) Administer the ~~tests~~ assessments prescribed under division (A)(1)(f) of section 3301.0710 of the Revised Code at least once annually to all students in the eighth grade.

(8) Except as provided in division (B)(9) of this section, administer any ~~test~~ assessment prescribed under division (B) (1) of section 3301.0710 of the Revised Code as follows:

(a) At least once annually to all tenth grade students and at least twice annually to all students in eleventh or twelfth grade who have not yet attained the score on that ~~test~~ assessment designated under that division;

(b) To any person who has successfully completed the curriculum in any high school or the individualized education program developed for the person by

any high school pursuant to section 3323.08 of the Revised Code but has not received a high school diploma and who requests to take such ~~test~~ assessment, at any time such ~~test~~ assessment is administered in the district.

(9) In lieu of the board of education of any city, local, or exempted village school district in which the student is also enrolled, the board of a joint vocational school district shall administer any ~~test~~ assessment prescribed under division (B) (1) of section 3301.0710 of the Revised Code at least twice annually to any student enrolled in the joint vocational school district who has not yet attained the score on that ~~test~~ assessment designated under that division. A board of a joint vocational school district may also administer such ~~a test~~ an assessment to any student described in division (B)(8)(b) of this section.

(10) If the district has been declared to be under an academic watch or in a state of academic emergency pursuant to section 3302.03 of the Revised Code or has a three-year average graduation rate of not more than seventy-five per cent, administer each ~~test~~ assessment prescribed by division ~~(F)~~ (D) of section 3301.0710 of the Revised Code in September to all ninth grade students, beginning in the school year that starts July 1, 2005.

Except as provided in section 3313.614 of the Revised Code for administration of an assessment to a person who has fulfilled the curriculum requirement for a high school diploma but has not passed one or more of the required assessments, the assessments prescribed under division (B)(1) of section 3301.0710 of the Revised Code and the practice assessments prescribed under division (D) of that section and required to be administered under divisions (B)(8), (9), and (10) of this section shall not be administered after the assessment system prescribed by division (B)(2) of section 3301.0710 and section 3301.0712 of the Revised Code is implemented under rule of the state board adopted under division (E)(1) of section 3301.0712 of the Revised Code.

(11) Administer the assessments prescribed by division (B)(2) of section 3301.0710 and section 3301.0712 of the Revised Code in accordance with the timeline and plan for implementation of those assessments prescribed by rule of the state board adopted under division (E)(1) of section 3301.0712 of the Revised Code.

(C)(1)(a) Any student receiving special education services under Chapter 3323. of the Revised Code may be excused from taking any particular ~~test~~ assessment required to be administered under this section if the individualized education program developed for the student pursuant to section 3323.08 of the Revised Code excuses the student from taking that ~~test~~ assessment and instead specifies an alternate assessment method approved by the department of education as conforming to requirements of federal law for receipt of federal funds for disadvantaged pupils. To the extent possible, the individualized education program shall not excuse the student from taking ~~a test~~ an assessment unless no reasonable accommodation can be made to enable the student to take the ~~test~~ assessment.

(b) Any alternate assessment approved by the department for a student under this division shall produce measurable results comparable to those produced by the ~~tests which the alternate assessments are replacing~~ assessment it replaces in order to allow for the student's ~~assessment~~ results to be included in the data compiled for a school district or building under section 3302.03 of the Revised Code.

(c) Any student enrolled in a chartered nonpublic school who has been identified, based on an evaluation conducted in accordance with section 3323.03 of the Revised Code or section 504 of the "Rehabilitation Act of 1973," 87 Stat. 355, 29 U.S.C.A. 794, as amended, as a child with a disability shall be excused from taking any particular ~~test~~ assessment required to be administered under this section if a plan developed for the student pursuant to rules adopted by the state board excuses the student from taking that ~~test~~ assessment. In the case of any student so excused from taking ~~a test~~ an assessment, the chartered nonpublic school shall not prohibit the student from taking the ~~test~~ assessment.

(2) A district board may, for medical reasons or other good cause, excuse a student from taking ~~a test~~ an assessment administered under this section on the date scheduled, but ~~any such test~~ that assessment shall be administered to ~~such~~ the excused student not later than nine days following the scheduled date. The district board shall annually report the number of students who have not taken one or more of the ~~tests~~ assessments required by this section to the state board of education not later than the thirtieth day of June.

(3) As used in this division, "limited English proficient student" has the same meaning as in 20 U.S.C. 7801.

No school district board shall excuse any limited English proficient student from taking any particular ~~test~~ assessment required to be administered under this section, except that any limited English proficient student who has been enrolled in United States schools for less than one full school year shall not be required to take any ~~such~~ reading ~~or~~ , writing ~~test~~ , or English language arts assessment. However, no board shall prohibit a limited English proficient student who is not required to take ~~a test~~ an assessment under this division from taking the ~~test~~ assessment. A board may permit any limited English proficient student to take ~~any test~~ an assessment required to be administered under this section with appropriate accommodations, as determined by the department. For each limited English proficient student, each school district shall annually assess that student's progress in learning English, in accordance with procedures approved by the department.

The governing authority of a chartered nonpublic school may excuse a limited English proficient student from taking any ~~test~~ assessment administered under this section. However, no governing authority shall prohibit a limited English proficient student from taking the ~~test~~ assessment.

(D)(1) In the school year next succeeding the school year in which the ~~tests~~ assessments prescribed by division (A)(1) or (B) (1) of section 3301.0710

of the Revised Code or former division (A)(1), (A)(2), or (B) of section 3301.0710 of the Revised Code as it existed prior to September 11, 2001, are administered to any student, the board of education of any school district in which the student is enrolled in that year shall provide to the student intervention services commensurate with the student's ~~test~~ performance, including any intensive intervention required under section 3313.608 of the Revised Code, in any skill in which the student failed to demonstrate at least a score at the proficient level on the ~~test~~ assessment.

(2) Following any administration of the ~~tests~~ assessments prescribed by division ~~(F)~~ (D) of section 3301.0710 of the Revised Code to ninth grade students, each school district that has a three-year average graduation rate of not more than seventy-five per cent shall determine for each high school in the district whether the school shall be required to provide intervention services to any students who took the ~~tests~~ assessments. In determining which high schools shall provide intervention services based on the resources available, the district shall consider each school's graduation rate and scores on the practice ~~tests~~ assessments. The district also shall consider the scores received by ninth grade students on the ~~reading~~ English language arts and mathematics ~~tests~~ assessments prescribed under division (A)(1)(f) of section 3301.0710 of the Revised Code in the eighth grade in determining which high schools shall provide intervention services.

Each high school selected to provide intervention services under this division shall provide intervention services to any student whose ~~test~~ results indicate that the student is failing to make satisfactory progress toward being able to attain scores at the proficient level on the Ohio graduation tests. Intervention services shall be provided in any skill in which a student demonstrates unsatisfactory progress and shall be commensurate with the student's ~~test~~ performance. Schools shall provide the intervention services prior to the end of the school year, during the summer following the ninth grade, in the next succeeding school year, or at any combination of those times.

(E) Except as provided in section 3313.608 of the Revised Code and division (M) of this section, no school district board of education shall utilize any student's failure to attain a specified score on ~~any test~~ an assessment administered under this section as a factor in any decision to deny the student promotion to a higher grade level. However, a district board may choose not to promote to the next grade level any student who does not take ~~any test~~ an assessment administered under this section or make up ~~such test~~ an assessment as provided by division (C)(2) of this section and who is not exempt from the requirement to take the ~~test~~ assessment under division (C)(3) of this section.

(F) No person shall be charged a fee for taking any ~~test~~ assessment administered under this section.

(G)(1) Each school district board shall designate one location for the collection of ~~tests~~ assessments administered in the spring under division (B)(1) of this section and ~~the tests~~ those administered under divisions (B)(2) to (7) of

this section. Each district board shall submit the ~~tests~~ assessments to the entity with which the department contracts for the scoring of the ~~tests~~ assessments as follows:

(a) If the district's total enrollment in grades kindergarten through twelve during the first full school week of October was less than two thousand five hundred, not later than the Friday after all of the ~~tests~~ assessments have been administered;

(b) If the district's total enrollment in grades kindergarten through twelve during the first full school week of October was two thousand five hundred or more, but less than seven thousand, not later than the Monday after all of the ~~tests~~ assessments have been administered;

(c) If the district's total enrollment in grades kindergarten through twelve during the first full school week of October was seven thousand or more, not later than the Tuesday after all of the ~~tests~~ assessments have been administered.

However, any ~~such test~~ assessment that a student takes during the make-up period described in division (C)(2) of this section shall be submitted not later than the Friday following the day the student takes the ~~test~~ assessment.

(2) The department or an entity with which the department contracts for the scoring of the ~~test~~ assessment shall send to each school district board a list of the individual ~~test~~ scores of all persons taking ~~any test~~ an assessment prescribed by division (A)(1) or (B) (1) of section 3301.0710 of the Revised Code within sixty days after its administration, but in no case shall the scores be returned later than the fifteenth day of June following the administration. For ~~any tests~~ assessments administered under this section by a joint vocational school district, the department or entity shall also send to each city, local, or exempted village school district a list of the individual ~~test~~ scores of any students of such city, local, or exempted village school district who are attending school in the joint vocational school district.

(H) Individual ~~test~~ scores on any ~~tests~~ assessments administered under this section shall be released by a district board only in accordance with section 3319.321 of the Revised Code and the rules adopted under division (A) of this section. No district board or its employees shall utilize individual or aggregate ~~test~~ results in any manner that conflicts with rules for the ethical use of ~~tests~~ assessments adopted pursuant to division (A) of this section.

(I) Except as provided in division (G) of this section, the department or an entity with which the department contracts for the scoring of the ~~test~~ assessment shall not release any individual ~~test~~ scores on any ~~test~~ assessment administered under this section. The state board of education shall adopt rules to ensure the protection of student confidentiality at all times. The rules may require the use of the data verification codes assigned to students pursuant to division (D)(2) of section 3301.0714 of the Revised Code to protect the confidentiality of student ~~test~~ scores.

(J) Notwithstanding division (D) of section 3311.52 of the Revised Code,

this section does not apply to the board of education of any cooperative education school district except as provided under rules adopted pursuant to this division.

(1) In accordance with rules that the state board of education shall adopt, the board of education of any city, exempted village, or local school district with territory in a cooperative education school district established pursuant to divisions (A) to (C) of section 3311.52 of the Revised Code may enter into an agreement with the board of education of the cooperative education school district for administering any ~~test~~ assessment prescribed under this section to students of the city, exempted village, or local school district who are attending school in the cooperative education school district.

(2) In accordance with rules that the state board of education shall adopt, the board of education of any city, exempted village, or local school district with territory in a cooperative education school district established pursuant to section 3311.521 of the Revised Code shall enter into an agreement with the cooperative district that provides for the administration of any ~~test~~ assessment prescribed under this section to both of the following:

(a) Students who are attending school in the cooperative district and who, if the cooperative district were not established, would be entitled to attend school in the city, local, or exempted village school district pursuant to section 3313.64 or 3313.65 of the Revised Code;

(b) Persons described in division (B)(8)(b) of this section.

Any ~~testing~~ assessment of students pursuant to such an agreement shall be in lieu of any ~~testing~~ assessment of such students or persons pursuant to this section.

(K)(1) As a condition of compliance with section 3313.612 of the Revised Code, each chartered nonpublic school that educates students in grades nine through twelve shall administer the assessments prescribed by divisions (B)(1) and (2) of section 3301.0710 of the Revised Code. Any chartered nonpublic school may participate in the ~~testing~~ assessment program by administering any of the ~~tests~~ assessments prescribed by division (A) of section 3301.0710 ~~or 3301.0712~~ of the Revised Code ~~if the~~ . The chief administrator of the school ~~specifies~~ shall specify which ~~tests~~ assessments the school ~~wishes to~~ will administer. Such specification shall be made in writing to the superintendent of public instruction prior to the first day of August of any school year in which ~~tests~~ assessments are administered and shall include a pledge that the nonpublic school will administer the specified ~~tests~~ assessments in the same manner as public schools are required to do under this section and rules adopted by the department.

(2) The department of education shall furnish the ~~tests~~ assessments prescribed by section 3301.0710 or 3301.0712 of the Revised Code to ~~any~~ each chartered nonpublic school ~~electing to participate~~ that participates under this division.

(L)(1) The superintendent of the state school for the blind and the superintendent of the state school for the deaf shall administer the ~~tests~~ assessments described by ~~section~~ sections 3301.0710 and 3301.0712 of the Revised Code. Each superintendent shall administer the ~~tests~~ assessments in the same manner as district boards are required to do under this section and rules adopted by the department of education and in conformity with division (C)(1)(a) of this section.

(2) The department of education shall furnish the ~~tests~~ assessments described by ~~section~~ sections 3301.0710 and 3301.0712 of the Revised Code to each superintendent.

(M) Notwithstanding division (E) of this section, a school district may use a student's failure to attain a score in at least the ~~basic~~ proficient range on the mathematics ~~test~~ assessment described by division (A)(1)(a) of section 3301.0710 of the Revised Code or on ~~any of the tests~~ an assessment described by division (A)(1)(b), (c), (d), (e), or (f) of section 3301.0710 of the Revised Code as a factor in retaining that student in the current grade level.

(N)(1) In the manner specified in divisions (N)(3) ~~to (5)~~ and (4) of this section, the ~~tests~~ assessments required by division (A)(1) of section 3301.0710 of the Revised Code shall become public records pursuant to section 149.43 of the Revised Code on the first day of July following the school year that the ~~test was~~ assessments were administered.

(2) The department may field test proposed ~~test~~ questions with samples of students to determine the validity, reliability, or appropriateness of ~~test~~ questions for possible inclusion in a future year's ~~test~~ assessment. The department also may use anchor questions on ~~tests~~ assessments to ensure that different versions of the same ~~test~~ assessment are of comparable difficulty.

Field test questions and anchor questions shall not be considered in computing ~~test~~ scores for individual students. Field test questions and anchor questions may be included as part of the administration of any ~~test~~ assessment required by division (A)(1) or (B)(1) of section 3301.0710 of the Revised Code.

(3) Any field test question or anchor question administered under division (N)(2) of this section shall not be a public record. Such field test questions and anchor questions shall be redacted from any ~~tests~~ assessments which are released as a public record pursuant to division (N)(1) of this section.

(4) This division applies to the ~~tests~~ assessments prescribed by division (A) of section 3301.0710 of the Revised Code.

(a) The first administration of each ~~test~~ assessment, as specified in former section 3301.0712 of the Revised Code, shall be a public record.

(b) For subsequent administrations of each ~~test~~ assessment, not less than forty per cent of the questions on the ~~test~~ assessment that are used to compute a student's score shall be a public record. The department shall determine which questions will be needed for reuse on a future ~~test~~ assessment and those

questions shall not be public records and shall be redacted from the ~~test~~ assessment prior to its release as a public record. However, for each redacted question, the department shall inform each city, local, and exempted village school district of the statewide academic standard adopted by the state board of education under section 3301.079 of the Revised Code and the corresponding benchmark to which the question relates. The preceding sentence does not apply to field test questions that are redacted under division (N)(3) of this section.

(5) Each ~~test~~ assessment prescribed by division (B) (1) of section 3301.0710 of the Revised Code ~~that is administered in the spring shall be a public record. Each test prescribed by that division that is administered in the fall or summer~~ shall not be a public record.

(O) As used in this section:

(1) "Three-year average" means the average of the most recent consecutive three school years of data.

(2) "Dropout" means a student who withdraws from school before completing course requirements for graduation and who is not enrolled in an education program approved by the state board of education or an education program outside the state. "Dropout" does not include a student who has departed the country.

(3) "Graduation rate" means the ratio of students receiving a diploma to the number of students who entered ninth grade four years earlier. Students who transfer into the district are added to the calculation. Students who transfer out of the district for reasons other than dropout are subtracted from the calculation. If a student who was a dropout in any previous year returns to the same school district, that student shall be entered into the calculation as if the student had entered ninth grade four years before the graduation year of the graduating class that the student joins.

Sec. 3301.0712. (A) The state board of education, the superintendent of public instruction, and the chancellor of the Ohio board of regents shall develop a system of college and work ready assessments as described in divisions (B)(1) to (3) of this section to assess whether each student upon graduating from high school is ready to enter college or the workforce. The system shall replace the Ohio graduation tests prescribed in division (B)(1) of section 3301.0710 of the Revised Code as a measure of student academic performance and a prerequisite for eligibility for a high school diploma in the manner prescribed by rule of the state board adopted under division (E) of this section.

(B) The college and work ready assessment system shall consist of the following:

(1) A nationally standardized assessment that measures competencies in science, mathematics, and English language arts selected jointly by the state superintendent and the chancellor.

(2) A series of end-of-course examinations in the areas of science,

mathematics, English language arts, and social studies selected jointly by the state superintendent and the chancellor in consultation with faculty in the appropriate subject areas at institutions of higher education of the university system of Ohio.

(3) A senior project completed by a student or a group of students. The purpose of the senior project is to assess the student's:

(a) Mastery of core knowledge in a subject area chosen by the student;

(b) Written and verbal communication skills;

(c) Critical thinking and problem-solving skills;

(d) Real-world and interdisciplinary learning;

(e) Creative and innovative thinking;

(f) Acquired technology, information, and media skills;

(g) Personal management skills such as self-direction, time management, work ethic, enthusiasm, and the desire to produce a high quality product.

The state superintendent and the chancellor jointly shall develop standards for the senior project for students participating in dual enrollment programs.

(C)(1) The state superintendent and the chancellor jointly shall designate the scoring rubrics and the required overall composite score for the assessment system to assess whether each student is college or work ready.

(2) Each senior project shall be judged by the student's high school in accordance with rubrics designated by the state superintendent and the chancellor.

(D) Not later than thirty days after the state board adopts the model curricula required by division (B) of section 3301.079 of the Revised Code, the state board shall convene a group of national experts, state experts, and local practitioners to provide advice, guidance, and recommendations for the alignment of standards and model curricula to the assessments and in the design of the end-of-course examinations and scoring rubrics prescribed by this section.

(E) Upon completion of the development of the assessment system, the state board shall adopt rules prescribing all of the following:

(1) A timeline and plan for implementation of the assessment system, including a phased implementation if the state board determines such a phase-in is warranted;

(2) The date after which a person entering ninth grade shall attain at least the composite score for the entire assessment system as a prerequisite for a high school diploma under sections 3313.61, 3313.612, or 3325.08 of the Revised Code;

(3) The date after which a person shall attain at least the composite score for the entire assessment system as a prerequisite for a diploma of adult education under section 3313.611 of the Revised Code;

(4) Whether and the extent to which a person may be excused from a social studies end-of-course examination under division (H) of section 3313.61 and division (B)(2) of section 3313.612 of the Revised Code;

(5) The date after which a person who has fulfilled the curriculum requirement for a diploma but has not passed one or more of the required assessments at the time the person fulfilled the curriculum requirement shall attain at least the composite score for the entire assessment system as a prerequisite for a high school diploma under division (B) of section 3313.614 of the Revised Code;

(6) The extent to which the assessment system applies to students enrolled in a dropout recovery and prevention program for purposes of division (F) of section 3313.603 and section 3314.36 of the Revised Code.

No rule adopted under this division shall be effective earlier than one year after the date the rule is filed in final form pursuant to Chapter 119. of the Revised Code.

(F) Not later than forty-five days prior to the state board's adoption of a resolution directing the department of education to file the rules prescribed by division (E) of this section in final form under section 119.04 of the Revised Code, the superintendent of public instruction shall present the assessment system developed under this section to the respective committees of the house of representatives and senate that consider education legislation."

In line 33479, strike through "by the testing of"

In line 33480, strike through "student achievement"; strike through "and" and insert an underlined comma; after "3301.0711" insert " , and 3301.0712"

In line 33654, strike through "tests" and insert " assessments"

In line 33655, strike through "or 3301.0712"

Between lines 33894 and 33895, insert:

"**Sec. 3301.0715.** (A) Except as provided in division (E) of this section, the board of education of each city, local, and exempted village school district shall administer each applicable diagnostic assessment developed and provided to the district in accordance with section 3301.079 of the Revised Code to the following:

(1) Each student enrolled in a building that has failed to make adequate yearly progress for two or more consecutive school years;

(2) Any student who transfers into the district or to a different school within the district if each applicable diagnostic assessment was not administered by the district or school the student previously attended in the current school

year, within thirty days after the date of transfer. If the district or school into which the student transfers cannot determine whether the student has taken any applicable diagnostic assessment in the current school year, the district or school may administer the diagnostic assessment to the student.

(3) Each kindergarten student, not earlier than four weeks prior to the first day of school and not later than the first day of October. For the purpose of division (A)(3) of this section, the district shall administer the kindergarten readiness assessment provided by the department of education. In no case shall the results of the readiness assessment be used to prohibit a student from enrolling in kindergarten.

(4) Each student enrolled in first or second grade.

(B) Each district board shall administer each diagnostic assessment as the board deems appropriate. However, the board shall administer any diagnostic assessment at least once annually to all students in the appropriate grade level. A district board may administer any diagnostic assessment in the fall and spring of a school year to measure the amount of academic growth attributable to the instruction received by students during that school year.

(C) Each district board shall utilize and score any diagnostic assessment administered under division (A) of this section in accordance with rules established by the department. Except as required by division (B)(1) ~~(o)~~ (n) of section 3301.0714 of the Revised Code, neither the state board of education nor the department shall require school districts to report the results of diagnostic assessments for any students to the department or to make any such results available in any form to the public. After the administration of any diagnostic assessment, each district shall provide a student's completed diagnostic assessment, the results of such assessment, and any other accompanying documents used during the administration of the assessment to the parent of that student upon the parent's request.

(D) Each district board shall provide intervention services to students whose diagnostic assessments show that they are failing to make satisfactory progress toward attaining the academic standards for their grade level.

(E) Any district that made adequate yearly progress in the immediately preceding school year may assess student progress in grades one through three using a diagnostic assessment other than the diagnostic assessment required by division (A) of this section.

(F) A district board may administer the third grade ~~writing~~ English language arts diagnostic assessment provided to the district in accordance with section 3301.079 of the Revised Code to any student enrolled in a building that is not subject to division (A)(1) of this section. Any district electing to administer the diagnostic assessment to students under this division shall provide intervention services to any such student whose diagnostic assessment shows unsatisfactory progress toward attaining the academic standards for the student's grade level.

(G) As used in this section, "adequate yearly progress" has the same meaning as in section 3302.01 of the Revised Code.

Sec. 3301.0716. Notwithstanding division (D) of section 3301.0714 of the Revised Code, the department of education may have access to personally identifiable information about any student under the following circumstances:

(A) An entity with which the department contracts for the scoring of ~~tests~~ assessments administered under section 3301.0711 or 3301.0712 of the Revised Code has notified the department that the student's written response to a question on ~~such a test~~ an assessment included threats or descriptions of harm to another person or the student's self and the information is necessary to enable the department to identify the student for purposes of notifying the school district or school in which the student is enrolled of the potential for harm.

(B) The department requests the information to respond to an appeal from a school district or school for verification of the accuracy of the student's score on ~~a test~~ an assessment administered under section 3301.0711 or 3301.0712 of the Revised Code.

(C) The department requests the information to determine whether the student satisfies the alternative conditions for a high school diploma prescribed in section 3313.615 of the Revised Code.

Sec. 3301.0718. ~~(A) After completing the required standards specified in section 3301.079 of the Revised Code, the state board of education shall adopt standards and model curricula for instruction in computer literacy for grades three through twelve and in fine arts and foreign language for grades kindergarten through twelve.~~

~~(B) Not later than December 31, 2007, the state board shall adopt the most recent standards developed by the national association for sport and physical education for physical education in grades kindergarten through twelve or shall adopt its own standards for physical education in those grades. The department of education shall provide the standards, and any revisions of the standards, to all school districts and community schools established under Chapter 3314. of the Revised Code. Any school district or community school may utilize the standards.~~

~~The department shall employ a full-time physical education coordinator to provide guidance and technical assistance to districts and community schools in implementing the standards adopted under this division. The superintendent of public instruction shall determine that the person employed as coordinator is qualified for the position, as demonstrated by possessing an adequate combination of education, license, and experience. The department shall hire a coordinator not later than October 31, 2007.~~

~~(C)~~ The state board of education shall not adopt or revise any standards or curriculum in the area of health unless, by concurrent resolution, the standards, curriculum, or revisions are approved by both houses of the general

assembly. Before the house of representatives or senate votes on a concurrent resolution approving health standards, curriculum, or revisions, its standing committee having jurisdiction over education legislation shall conduct at least one public hearing on the standards, curriculum, or revisions.

~~(D) The state board shall not adopt a diagnostic assessment or achievement test for any grade level or subject area other than those specified in section 3301.079 of the Revised Code.~~"

Between lines 33985 and 33986, insert:

"**Sec. 3301.16.** Pursuant to standards prescribed by the state board of education as provided in division (D) of section 3301.07 of the Revised Code, the state board shall classify and charter school districts and individual schools within each district except that no charter shall be granted to a nonpublic school unless ~~pursuant to division (K) of section 3301.0711 of the Revised Code~~ the school ~~elects to administer the tests prescribed by division (B) of~~ complies with section ~~3301.0710~~ 3313.612 of the Revised Code ~~beginning July 1, 1995~~.

In the course of considering the charter of a new school district created under section 3311.26 or 3311.38 of the Revised Code, the state board shall require the party proposing creation of the district to submit to the board a map, certified by the county auditor of the county in which the proposed new district is located, showing the boundaries of the proposed new district. In the case of a proposed new district located in more than one county, the map shall be certified by the county auditor of each county in which the proposed district is located.

The state board shall revoke the charter of any school district or school which fails to meet the standards for elementary and high schools as prescribed by the board. The state board shall also revoke the charter of any nonpublic school that does not comply with section 3313.612 of the Revised Code ~~or, on or after July 1, 1995, does not participate in the testing program prescribed by division (B) of section 3301.0710 of the Revised Code~~.

In the issuance and revocation of school district or school charters, the state board shall be governed by the provisions of Chapter 119. of the Revised Code.

No school district, or individual school operated by a school district, shall operate without a charter issued by the state board under this section.

In case a school district charter is revoked pursuant to this section, the state board may dissolve the school district and transfer its territory to one or more adjacent districts. An equitable division of the funds, property, and indebtedness of the school district shall be made by the state board among the receiving districts. The board of education of a receiving district shall accept such territory pursuant to the order of the state board. Prior to dissolving the school district, the state board shall notify the appropriate educational service center governing board and all adjacent school district boards of education of its intention to do so. Boards so notified may make recommendations to the state board regarding the proposed dissolution and subsequent transfer of territory.

Except as provided in section 3301.161 of the Revised Code, the transfer ordered by the state board shall become effective on the date specified by the state board, but the date shall be at least thirty days following the date of issuance of the order.

A high school is one of higher grade than an elementary school, in which instruction and training are given in accordance with sections 3301.07 and 3313.60 of the Revised Code and which also offers other subjects of study more advanced than those taught in the elementary schools and such other subjects as may be approved by the state board of education.

An elementary school is one in which instruction and training are given in accordance with sections 3301.07 and 3313.60 of the Revised Code and which offers such other subjects as may be approved by the state board of education. In districts wherein a junior high school is maintained, the elementary schools in that district may be considered to include only the work of the first six school years inclusive, plus the kindergarten year.

A high school or an elementary school may consist of less than one or more than one organizational unit, as defined in sections 3306.02 and 3306.04 of the Revised Code."

Delete lines 34072 through 34151 and insert:

"**Sec. 3301.42.** The partnership for continued learning shall promote systemic approaches to education by supporting regional efforts to foster collaboration among providers of preschool through postsecondary education, identifying the workforce needs of private sector employers in the state, and making recommendations for facilitating collaboration among providers of preschool through postsecondary education and for maintaining a high-quality workforce in the state. Copies of the recommendations shall be provided to the governor, the president and minority leader of the senate, the speaker and minority leader of the house of representatives, the chairpersons and ranking minority members of the standing committees of the senate and the house of representatives that consider education legislation, the ~~chairperson~~ chancellor of the Ohio board of regents, and the president of the state board of education. The recommendations shall address at least the following issues:

(A) Expansion of access to preschool and other learning opportunities for children under five years old;

(B) Increasing opportunities for students to earn credit toward a degree from an institution of higher education while enrolled in high school, including expanded opportunities for students to earn that credit on their high school campuses; a definition of "in good standing" for purposes of section 3313.6013 of the Revised Code; and legislative changes that the partnership, in consultation with the Ohio board of regents and the state board of education, determines would improve the operation of the post-secondary enrollment options program established under Chapter 3365. of the Revised Code and other dual enrollment programs. The recommendations for legislative changes required by this division

shall be issued not later than May 31, 2007.

(C) Expansion of access to workforce development programs administered by school districts, institutions of higher education, and other providers of career-technical education;

(D) Alignment of the statewide academic standards for grades nine through twelve adopted under section 3301.079 of the Revised Code, the Ohio graduation tests prescribed by division (B) (1) of section 3301.0710 of the Revised Code and the assessment system prescribed by division (B)(2) of that section, and the curriculum requirements for a high school diploma prescribed by section 3313.603 of the Revised Code with the expectations of employers and institutions of higher education regarding the knowledge and skills that high school graduates should attain prior to entering the workforce or enrolling in an institution of higher education;

(E) Improving the science and mathematics skills of students and employees to meet the needs of a knowledge-intensive economy;

(F) Reducing the number of students who need academic remediation after enrollment in an institution of higher education;

(G) Expansion of school counseling career and educational programs, access programs, and other strategies to overcome financial, cultural, and organizational barriers that interfere with students' planning for postsecondary education and that prevent students from obtaining a postsecondary education;

(H) Alignment of teacher preparation programs approved by the ~~state board of education~~ chancellor of the Ohio board of regents pursuant to section ~~3319.23~~ 3333.048 of the Revised Code with the instructional needs and expectations of school districts;

(I) Strategies for retaining more graduates of Ohio institutions of higher education in the state and for attracting talented individuals from outside Ohio to work in the state;

(J) Strategies for promoting lifelong continuing education as a component of maintaining a strong workforce and economy;

(K) Appropriate measures of the impact of statewide efforts to promote collaboration among providers of preschool through postsecondary education and to develop a high-quality workforce and strategies for collecting and sharing data relevant to such measures;

(L) Strategies for developing and improving opportunities and for removing barriers to achievement for children identified as gifted under Chapter 3324. of the Revised Code;

(M) Legislative changes to establish criteria by which state universities may waive the general requirement, under division (B) of section 3345.06 of the Revised Code, that a student complete the Ohio core curriculum to be admitted as an undergraduate. The partnership at least shall consider criteria for waiving

the requirement for students who have served in the military and students who entered ninth grade on or after July 1, 2010, in another state and moved to Ohio prior to high school graduation. The recommendations for legislative changes under this division shall be developed in consultation with the Ohio board of regents and shall be issued not later than July 1, 2007."

Between lines 35163 and 35164, insert:

"**Sec. 3302.01.** As used in this chapter:

(A) "Performance index score" means the average of the totals derived from calculations for each subject area of ~~reading, writing~~ English language arts, mathematics, science, and social studies of the weighted proportion of untested students and students scoring at each level of skill described in division (A)(2) of section 3301.0710 of the Revised Code on the ~~tests~~ assessments prescribed by divisions (A) and (B) (1) of that section. The department of education shall assign weights such that students who do not take ~~a test~~ an assessment receive a weight of zero and students who take ~~a test~~ an assessment receive progressively larger weights dependent upon the level of skill attained on the ~~test~~ assessment. The department shall also determine the performance index score a school district or building needs to achieve for the purpose of the performance ratings assigned pursuant to section 3302.03 of the Revised Code.

Students shall be included in the "performance index score" in accordance with division (D)(2) of section 3302.03 of the Revised Code.

(B) "Subgroup" means a subset of the entire student population of the state, a school district, or a school building and includes each of the following:

(1) Major racial and ethnic groups;

(2) Students with disabilities;

(3) Economically disadvantaged students;

(4) Limited English proficient students.

(C) "No Child Left Behind Act of 2001" includes the statutes codified at 20 U.S.C. 6301 et seq. and any amendments thereto, rules and regulations promulgated pursuant to those statutes, guidance documents, and any other policy directives regarding implementation of that act issued by the United States department of education.

(D) "Adequate yearly progress" means a measure of annual academic performance as calculated in accordance with the "No Child Left Behind Act of 2001."

(E) "Supplemental educational services" means additional academic assistance, such as tutoring, remediation, or other educational enrichment activities, that is conducted outside of the regular school day by a provider approved by the department in accordance with the "No Child Left Behind Act of 2001."

(F) "Value-added progress dimension" means a measure of academic gain for a student or group of students over a specific period of time that is calculated by applying a statistical methodology to individual student achievement data derived from the achievement ~~tests~~ assessments prescribed by section 3301.0710 of the Revised Code.

Sec. 3302.02. ~~The~~ Not later than one year after the adoption of rules under division (E) of section 3301.0712 of the Revised Code and at least every sixth year thereafter, upon recommendations of the superintendent of public instruction, the state board of education ~~annually through 2007, and every six years thereafter,~~ shall establish ~~at least seventeen~~ performance indicators for the report cards required by division (C) of section 3302.03 of the Revised Code. In establishing these indicators, the ~~state board~~ superintendent shall consider inclusion of student performance on ~~any tests given~~ assessments prescribed under section 3301.0710 or 3301.0712 of the Revised Code, rates of student improvement on such ~~tests~~ assessments, student attendance, the breadth of coursework available within the district, and other indicators of student success. ~~The state board~~ Not later than December 31, 2011, the state board, upon recommendation of the superintendent, shall establish a performance indicator reflecting the level of services provided to, and the performance of, students identified as gifted under Chapter 3324. of the Revised Code.

The superintendent shall inform the Ohio accountability task force established under section 3302.021 of the Revised Code of the performance indicators ~~it~~ the superintendent establishes under this section and the rationale for choosing each indicator and for determining how a school district or building meets that indicator.

The ~~state board~~ superintendent shall not establish any performance indicator for passage of the third or fourth grade ~~reading test~~ English language arts assessment that is solely based on the ~~test~~ assessment given in the fall for the purpose of determining whether students have met the reading guarantee provisions of section 3313.608 of the Revised Code."

In line 35363, strike through "tests" and insert " assessments"

In line 35364, after "under" insert " division (A)(1) or (B)(1) of"

In line 35370, strike through "tests" and insert " assessments"; after "under" insert " division (A)(1) or (B)(1) of"

In line 35376, strike through "tests" and insert " assessments"; after "under" insert " division (A)(1) or (B)(1) of"

In line 35478, strike through "reading, writing" and insert " English language arts"

In line 35479, strike through "proficiency or achievement test" and insert " assessment"

In line 35481, strike through "a"

In line 35482, strike through "test" and insert " an assessment"

In line 35493, strike through "test" and insert " assessment"

In line 35494, after "by" insert " division (A)(1) or (B)(1) of"

In line 35497, strike through "reading" and insert " English language arts"; strike through "test" and insert " assessment"

Between lines 35502 and 35503, insert:

"**Sec. 3302.031.** In addition to the report cards required under section 3302.03 of the Revised Code, the department of education shall annually prepare the following reports for each school district and make a copy of each report available to the superintendent of each district:

(A) A funding and expenditure accountability report which shall consist of the amount of state aid payments the school district will receive during the fiscal year under Chapter 3317. of the Revised Code and any other fiscal data the department determines is necessary to inform the public about the financial status of the district;

(B) A school safety and discipline report which shall consist of statistical information regarding student safety and discipline in each school building, including the number of suspensions and expulsions disaggregated according to race and gender;

(C) A student equity report which shall consist of at least a description of the status of teacher qualifications, library and media resources, textbooks, classroom materials and supplies, and technology resources for each district. To the extent possible, the information included in the report required under this division shall be disaggregated according to grade level, race, gender, disability, and scores attained on ~~tests~~ assessments required under section 3301.0710 of the Revised Code.

(D) A school enrollment report which shall consist of information about the composition of classes within each district by grade and subject disaggregated according to race, gender, and scores attained on ~~tests~~ assessments required under section 3301.0710 of the Revised Code;

(E) A student retention report which shall consist of the number of students retained in their respective grade levels in the district disaggregated by grade level, subject area, race, gender, and disability;

(F) A school district performance report which shall describe for the district and each building within the district the extent to which the district or building meets each of the applicable performance indicators established under section 3302.02 of the Revised Code, the number of performance indicators that have been achieved, and the performance index score. In calculating the rates of achievement on the performance indicators and the performance index scores for each report, the department shall exclude all students with disabilities.

Sec. 3302.05. The state board of education shall adopt rules freeing school districts declared to be excellent under division (B)(1) or effective under division (B)(2) of section 3302.03 of the Revised Code from specified state mandates. Any mandates included in the rules shall be only those statutes or rules pertaining to state education requirements. The rules shall not exempt districts from any standard or requirement of Chapter 3306. or from any operating standard adopted under division (D)(3) of section 3301.07 of the Revised Code.

Sec. 3302.07. (A) The board of education of any school district, the governing board of any educational service center, or the administrative authority of any chartered nonpublic school may submit to the state board of education an application proposing an innovative education pilot program the implementation of which requires exemptions from specific statutory provisions or rules. If a district or service center board employs teachers under a collective bargaining agreement adopted pursuant to Chapter 4117. of the Revised Code, any application submitted under this division shall include the written consent of the teachers' employee representative designated under division (B) of section 4117.04 of the Revised Code. The exemptions requested in the application shall be limited to any requirement of Title XXXIII of the Revised Code or of any rule of the state board adopted pursuant to that title except that the application may not propose an exemption from any requirement of or rule adopted pursuant to Chapter 3307. or 3309., sections 3319.07 to 3319.21, or Chapter 3323. of the Revised Code. Furthermore, an exemption from any standard or requirement of Chapter 3306. or from any operating standard adopted under division (D)(3) of section 3301.07 of the Revised Code shall be granted only pursuant to a waiver granted by the superintendent of public instruction under section 3306.40 of the Revised Code.

(B) The state board of education shall accept any application submitted in accordance with division (A) of this section. The superintendent of public instruction shall approve or disapprove the application in accordance with standards for approval, which shall be adopted by the state board.

(C) The superintendent of public instruction shall exempt each district or service center board or chartered nonpublic school administrative authority with an application approved under division (B) of this section for a specified period from the statutory provisions or rules specified in the approved application. The period of exemption shall not exceed the period during which the pilot program proposed in the application is being implemented and a reasonable period to allow for evaluation of the effectiveness of the program."

In line 35755, strike through "state test" and insert " assessment"

Delete lines 35778 through 35839 and insert:

"**Sec. 3310.11.** (A) Only for the purpose of administering the educational choice scholarship pilot program, the department of education may request from any of the following entities the data verification code assigned under division

(D)(2) of section 3301.0714 of the Revised Code to any student who is seeking a scholarship under the program:

(1) The student's resident district;

(2) If applicable, the community school in which that student is enrolled;

(3) The independent contractor engaged to create and maintain student data verification codes.

(B) Upon a request by the department under division (A) of this section for the data verification code of a student seeking a scholarship or a request by the student's parent for that code, the school district or community school shall submit that code to the department or parent in the manner specified by the department. If the student has not been assigned a code, because the student will be entering kindergarten during the school year for which the scholarship is sought, the district shall assign a code to that student and submit the code to the department or parent by a date specified by the department. If the district does not assign a code to the student by the specified date, the department shall assign a code to that student.

The department annually shall submit to each school district the name and data verification code of each student residing in the district who is entering kindergarten, who has been awarded a scholarship under the program, and for whom the department has assigned a code under this division.

(C) For the purpose of administering the applicable ~~tests~~ assessments prescribed under sections 3301.0710 and 3301.0712 of the Revised Code, as required by section 3310.14 of the Revised Code, the department shall provide to each chartered nonpublic school that enrolls a scholarship student the data verification code for that student.

(D) The department and each chartered nonpublic school that receives a data verification code under this section shall not release that code to any person except as provided by law.

Any document relative to this program that the department holds in its files that contains both a student's name or other personally identifiable information and the student's data verification code shall not be a public record under section 149.43 of the Revised Code.

Sec. 3310.14. Notwithstanding division (K) of section 3301.0711 of the Revised Code, each chartered nonpublic school that enrolls students awarded scholarships under sections 3310.01 to 3310.17 of the Revised Code annually shall administer the ~~tests~~ assessments prescribed by section 3301.0710 or 3301.0712 of the Revised Code to each scholarship student enrolled in the school in accordance with section 3301.0711 of the Revised Code. Each chartered nonpublic school shall report to the department of education the results of each ~~test~~ assessment administered to each scholarship student under this section.

Nothing in this section requires a chartered nonpublic school to

administer any achievement ~~test~~ assessment, except for an Ohio graduation test prescribed by division (B) (1) of section 3301.0710 of the Revised Code, as required by section 3313.612 of the Revised Code, to any student enrolled in the school who is not a scholarship student.

Sec. 3310.15. (A) The department of education annually shall compile the scores attained by scholarship students to whom an assessment is administered under section 3310.14 of the Revised Code. The scores shall be aggregated as follows:

(1) By state, which shall include all students awarded a scholarship under the educational choice scholarship pilot program and who were required to take an assessment under section 3310.14 of the Revised Code;

(2) By school district, which shall include all scholarship students who were required to take an assessment under section 3310.14 of the Revised Code and for whom the district is the student's resident district;

(3) By chartered nonpublic school, which shall include all scholarship students enrolled in that school who were required to take an assessment under section 3310.14 of the Revised Code.

(B) The department shall disaggregate the student performance data described in division (A) of this section according to the following categories:

(1) Age;

(2) Race and ethnicity;

(3) Gender;

(4) Students who have participated in the scholarship program for three or more years;

(5) Students who have participated in the scholarship program for more than one year and less than three years;

(6) Students who have participated in the scholarship program for one year or less;

(7) Economically disadvantaged students.

(C) The department shall post the student performance data required under divisions (A) and (B) of this section on its web site and, by the first day of February each year, shall distribute that data to the parent of each eligible student. In reporting student performance data under this division, the department shall not include any data that is statistically unreliable or that could result in the identification of individual students. For this purpose, the department shall not report performance data for any group that contains less than ten students.

(D) The department shall provide the parent of each scholarship student with information comparing the student's performance on the assessments

administered under section 3310.14 of the Revised Code with the average performance of similar students enrolled in the building operated by the student's resident district that the scholarship student would otherwise attend. In calculating the performance of similar students, the department shall consider age, grade, race and ethnicity, gender, and socioeconomic status."

Between lines 36565 and 36566, insert:

"**Sec. 3313.532.** (A) Any person twenty-two or more years of age and enrolled in an adult high school continuation program established pursuant to section 3313.531 of the Revised Code may request the board of education operating the program to conduct an evaluation in accordance with division (C) of this section.

(B) Any applicant to a board of education for a diploma of adult education under division (B) of section 3313.611 of the Revised Code may request the board to conduct an evaluation in accordance with division (C) of this section.

(C) Upon the request of any person pursuant to division (A) or (B) of this section, the board of education to which the request is made shall evaluate the person to determine whether the person is disabled, in accordance with rules adopted by the state board of education. If the evaluation indicates that the person is disabled, the board shall determine whether to excuse the person from taking any of the ~~tests~~ assessments required by division (B) of section 3301.0710 of the Revised Code as a requirement for receiving a diploma under section 3313.611 of the Revised Code. The board may require the person to take an alternate assessment in place of any test from which the person is so excused."

In line 36836, after "under" insert " division (A)(1) of"

In line 36837, after "Code" insert " and the academic content standards for financial literacy and entrepreneurship adopted under division (A)(2) of that section"

In line 36977, strike through "tests" and insert " assessments"

In line 36978, after "(B)" insert " (1)"; after " Code" insert " or, to the extent prescribed by rule of the state board of education under division (E)(6) of section 3301.0712 of the Revised Code, division (B)(2) of that section"

Between lines 37085 and 37086, insert:

"**Sec. 3313.608.** (A) Beginning with students who enter third grade in the school year that starts July 1, ~~2003~~ 2009, for any student who attains a score in the range designated under division (A)(2) ~~(e)~~ (c) of section 3301.0710 of the Revised Code on the ~~test~~ assessment prescribed under that section to measure skill in ~~reading~~ English language arts expected at the end of third grade, each school district, in accordance with the policy adopted under section 3313.609 of the Revised Code, shall do one of the following:

(1) Promote the student to fourth grade if the student's principal and

reading teacher agree that other evaluations of the student's skill in reading demonstrate that the student is academically prepared to be promoted to fourth grade;

(2) Promote the student to fourth grade but provide the student with intensive intervention services in fourth grade;

(3) Retain the student in third grade.

(B)(1) To assist students in meeting this third grade guarantee established by this section, each school district shall adopt policies and procedures with which it shall annually assess the reading skills of each student at the end of first and second grade and identify students who are reading below their grade level. If the diagnostic assessment to measure ~~reading~~ English language arts ability for the appropriate grade level has been developed in accordance with division (D)(1) of section 3301.079 of the Revised Code, each school district shall use such diagnostic assessment to identify such students, except that any district to which division (E) of section 3301.0715 of the Revised Code applies may use another assessment to identify such students. The policies and procedures shall require the students' classroom teachers to be involved in the assessment and the identification of students reading below grade level. The district shall notify the parent or guardian of each student whose reading skills are below grade level and, in accordance with division (C) of this section, provide intervention services to each student reading below grade level. Such intervention services shall include instruction in intensive, systematic phonetics pursuant to rules adopted by the state board of education.

(2) For each student entering third grade after July 1, ~~2003~~ 2009, who does not attain by the end of the third grade at least a score in the range designated under division (A)(2) ~~(c)~~ (b) of section 3301.0710 of the Revised Code on the ~~test~~ assessment prescribed under that section to measure skill in ~~reading~~ English language arts expected at the end of third grade, the district also shall offer intense remediation services during the summer following third grade.

(C) For each student required to be offered intervention services under this section, the district shall involve the student's parent or guardian and classroom teacher in developing the intervention strategy, and shall offer to the parent or guardian the opportunity to be involved in the intervention services.

(D) Any summer remediation services funded in whole or in part by the state and offered by school districts to students under this section shall meet the following conditions:

(1) The remediation methods are based on reliable educational research.

(2) The school districts conduct ~~testing~~ assessment before and after students participate in the program to facilitate monitoring results of the remediation services.

(3) The parents of participating students are involved in programming decisions.

(4) The services are conducted in a school building or community center and not on an at-home basis.

(E) This section does not create a new cause of action or a substantive legal right for any person.

Sec. 3313.61. (A) A diploma shall be granted by the board of education of any city, exempted village, or local school district that operates a high school to any person to whom all of the following apply:

(1) The person has successfully completed the curriculum in any high school or the individualized education program developed for the person by any high school pursuant to section 3323.08 of the Revised Code, or has qualified under division (D) or (F) of section 3313.603 of the Revised Code, provided that no school district shall require a student to remain in school for any specific number of semesters or other terms if the student completes the required curriculum early;

(2) Subject to section 3313.614 of the Revised Code, the person has met the assessment requirements of division (A)(2)(a) or (b) of this section, as applicable.

(a) If the person entered the ninth grade prior to the date prescribed by rule of the state board of education under division (E)(2) of section 3301.0712 of the Revised Code, the person either:

~~(a)~~ (i) Has attained at least the applicable scores designated under division (B) (1) of section 3301.0710 of the Revised Code on all the ~~tests~~ assessments required by that division unless the person was excused from taking any such ~~test~~ assessment pursuant to section 3313.532 of the Revised Code or unless division (H) or (L) of this section applies to the person;

~~(b)~~ (ii) Has satisfied the alternative conditions prescribed in section 3313.615 of the Revised Code.

(b) If the person entered the ninth grade on or after the date prescribed by rule of the state board under division (E)(2) of section 3301.0712 of the Revised Code, the person has attained on the entire assessment system prescribed under division (B)(2) of section 3301.0710 of the Revised Code at least the required passing composite score, designated under division (C)(1) of section 3301.0712 of the Revised Code, except to the extent that the person is excused from some portion of that assessment system pursuant to section 3313.532 of the Revised Code or division (H) or (L) of this section.

(3) The person is not eligible to receive an honors diploma granted pursuant to division (B) of this section.

Except as provided in divisions (C), (E), (J), and (L) of this section, no diploma shall be granted under this division to anyone except as provided under this division.

(B) In lieu of a diploma granted under division (A) of this section, an

honors diploma shall be granted, in accordance with rules of the state board ~~of education~~, by any such district board to anyone who accomplishes all of the following:

(1) Successfully completes the curriculum in any high school or the individualized education program developed for the person by any high school pursuant to section 3323.08 of the Revised Code;

(2) Subject to section 3313.614 of the Revised Code, has met the assessment requirements of division (B)(2)(a) or (b) of this section, as applicable.

(a) If the person entered the ninth grade prior to the date prescribed by rule of the state board of education under division (E)(2) of section 3301.0712 of the Revised Code, the person either:

~~(a)~~ (i) Has attained at least the applicable scores designated under division (B) (1) of section 3301.0710 of the Revised Code on all the ~~tests~~ assessments required by that division;

~~(b)~~ (ii) Has satisfied the alternative conditions prescribed in section 3313.615 of the Revised Code.

(b) If the person entered the ninth grade on or after the date prescribed by rule of the state board under division (E)(2) of section 3301.0712 of the Revised Code, the person has attained on the entire assessment system prescribed under division (B)(2) of section 3301.0710 of the Revised Code at least the required passing composite score, designated under division (C)(1) of section 3301.0712 of the Revised Code.

(3) Has met additional criteria established by the state board for the granting of such a diploma.

An honors diploma shall not be granted to a student who is subject to the Ohio core curriculum prescribed in division (C) of section 3313.603 of the Revised Code but elects the option of division (D) or (F) of that section. Except as provided in divisions (C), (E), and (J) of this section, no honors diploma shall be granted to anyone failing to comply with this division and no more than one honors diploma shall be granted to any student under this division.

The state board shall adopt rules prescribing the granting of honors diplomas under this division. These rules may prescribe the granting of honors diplomas that recognize a student's achievement as a whole or that recognize a student's achievement in one or more specific subjects or both. The rules may prescribe the granting of an honors diploma recognizing technical expertise for a career-technical student. In any case, the rules shall designate two or more criteria for the granting of each type of honors diploma the board establishes under this division and the number of such criteria that must be met for the granting of that type of diploma. The number of such criteria for any type of honors diploma shall be at least one less than the total number of criteria designated for that type and no one or more particular criteria shall be required

of all persons who are to be granted that type of diploma.

(C) Any ~~such~~ district board administering any of the ~~tests~~ assessments required by section 3301.0710 ~~or 3301.0712~~ of the Revised Code to any person requesting to take such ~~test~~ assessment pursuant to division (B)(8)(b) of section 3301.0711 of the Revised Code shall award a diploma to such person if the person attains at least the applicable scores designated under division (B) (1) of section 3301.0710 of the Revised Code on all the ~~tests~~ assessments administered and if the person has previously attained the applicable scores on all the other ~~tests~~ assessments required by division (B) (1) of that section or has been exempted or excused from attaining the applicable score on any such ~~test~~ assessment pursuant to division (H) or (L) of this section or from taking any such ~~test~~ assessment pursuant to section 3313.532 of the Revised Code.

(D) Each diploma awarded under this section shall be signed by the president and treasurer of the issuing board, the superintendent of schools, and the principal of the high school. Each diploma shall bear the date of its issue, be in such form as the district board prescribes, and be paid for out of the district's general fund.

(E) A person who is a resident of Ohio and is eligible under state board of education minimum standards to receive a high school diploma based in whole or in part on credits earned while an inmate of a correctional institution operated by the state or any political subdivision thereof, shall be granted such diploma by the correctional institution operating the programs in which such credits were earned, and by the board of education of the school district in which the inmate resided immediately prior to the inmate's placement in the institution. The diploma granted by the correctional institution shall be signed by the director of the institution, and by the person serving as principal of the institution's high school and shall bear the date of issue.

(F) Persons who are not residents of Ohio but who are inmates of correctional institutions operated by the state or any political subdivision thereof, and who are eligible under state board of education minimum standards to receive a high school diploma based in whole or in part on credits earned while an inmate of the correctional institution, shall be granted a diploma by the correctional institution offering the program in which the credits were earned. The diploma granted by the correctional institution shall be signed by the director of the institution and by the person serving as principal of the institution's high school and shall bear the date of issue.

(G) The state board of education shall provide by rule for the administration of the ~~tests~~ assessments required by section 3301.0710 of the Revised Code to inmates of correctional institutions.

(H) Any person to whom all of the following apply shall be exempted from attaining the applicable score on the ~~test~~ assessment in social studies designated under division (B) (1) of section 3301.0710 of the Revised Code , any social studies end-of-course examination required under division (B)(2) of that

section if such an exemption is prescribed by rule of the state board under division (E)(4) of section 3301.0712 of the Revised Code, or the test in citizenship designated under former division (B) of section 3301.0710 of the Revised Code as it existed prior to September 11, 2001:

(1) The person is not a citizen of the United States;

(2) The person is not a permanent resident of the United States;

(3) The person indicates no intention to reside in the United States after the completion of high school.

(I) Notwithstanding division (D) of section 3311.19 and division (D) of section 3311.52 of the Revised Code, this section and section 3311.611 of the Revised Code do not apply to the board of education of any joint vocational school district or any cooperative education school district established pursuant to divisions (A) to (C) of section 3311.52 of the Revised Code.

(J) Upon receipt of a notice under division (D) of section 3325.08 of the Revised Code that a student has received a diploma under that section, the board of education receiving the notice may grant a high school diploma under this section to the student, except that such board shall grant the student a diploma if the student meets the graduation requirements that the student would otherwise have had to meet to receive a diploma from the district. The diploma granted under this section shall be of the same type the notice indicates the student received under section 3325.08 of the Revised Code.

(K) As used in this division, "limited English proficient student" has the same meaning as in division (C)(3) of section 3301.0711 of the Revised Code.

Notwithstanding division (C)(3) of section 3301.0711 of the Revised Code, no limited English proficient student who has not either attained the applicable scores designated under division (B) (1) of section 3301.0710 of the Revised Code on all the ~~tests~~ assessments required by that division , or attained the composite score designated for the assessments required by division (B)(2) of that section, shall be awarded a diploma under this section.

(L) Any student described by division (A)(1) of this section may be awarded a diploma without attaining the applicable scores designated on the ~~tests~~ assessments prescribed under division (B) of section 3301.0710 of the Revised Code provided an individualized education program specifically exempts the student from attaining such scores. This division does not negate the requirement for such a student to take all such ~~tests~~ assessments or alternate assessments required by division (C)(1) of section 3301.0711 of the Revised Code for the purpose of assessing student progress as required by federal law.

Sec. 3313.611. (A) The state board of education shall adopt, by rule, standards for awarding high school credit equivalent to credit for completion of high school academic and vocational education courses to applicants for diplomas under this section. The standards may permit high school credit to be granted to an applicant for any of the following:

(1) Work experiences or experiences as a volunteer;

(2) Completion of academic, vocational, or self-improvement courses offered to persons over the age of twenty-one by a chartered public or nonpublic school;

(3) Completion of academic, vocational, or self-improvement courses offered by an organization, individual, or educational institution other than a chartered public or nonpublic school;

(4) Other life experiences considered by the board to provide knowledge and learning experiences comparable to that gained in a classroom setting.

(B) The board of education of any city, exempted village, or local school district that operates a high school shall grant a diploma of adult education to any applicant if all of the following apply:

(1) The applicant is a resident of the district;

(2) The applicant is over the age of twenty-one and has not been issued a diploma as provided in section 3313.61 of the Revised Code;

(3) Subject to section 3313.614 of the Revised Code, the applicant has met the assessment requirements of division (B)(3)(a) or (b) of this section, as applicable.

(a) Prior to the date prescribed by rule of the state board under division (E)(3) of section 3301.0712 of the Revised Code, the applicant either:

~~(a)~~ (i) Has attained the applicable scores designated under division (B)(1) of section 3301.0710 of the Revised Code on all of the ~~tests~~ assessments required by that division or was excused or exempted from any such ~~test~~ assessment pursuant to section 3313.532 or was exempted from attaining the applicable score on any such ~~test~~ assessment pursuant to division (H) or (L) of section 3313.61 of the Revised Code;

~~(b)~~ (ii) Has satisfied the alternative conditions prescribed in section 3313.615 of the Revised Code.

(b) On or after the date prescribed by rule of the state board under division (E)(3) of section 3301.0712 of the Revised Code, has attained on the entire assessment system prescribed under division (B)(2) of section 3301.0710 of the Revised Code at least the required passing composite score, designated under division (C)(1) of section 3301.0712 of the Revised Code, except and only to the extent that the applicant is excused from some portion of that assessment system pursuant to section 3313.532 of the Revised Code or division (H) or (L) of section 3313.61 of the Revised Code.

(4) The district board determines, in accordance with the standards adopted under division (A) of this section, that the applicant has attained sufficient high school credits, including equivalent credits awarded under such standards, to qualify as having successfully completed the curriculum required

by the district for graduation.

(C) If a district board determines that an applicant is not eligible for a diploma under division (B) of this section, it shall inform the applicant of the reason the applicant is ineligible and shall provide a list of any courses required for the diploma for which the applicant has not received credit. An applicant may reapply for a diploma under this section at any time.

(D) If a district board awards an adult education diploma under this section, the president and treasurer of the board and the superintendent of schools shall sign it. Each diploma shall bear the date of its issuance, be in such form as the district board prescribes, and be paid for from the district's general fund, except that the state board may by rule prescribe standard language to be included on each diploma.

(E) As used in this division, "limited English proficient student" has the same meaning as in division (C)(3) of section 3301.0711 of the Revised Code.

Notwithstanding division (C)(3) of section 3301.0711 of the Revised Code, no limited English proficient student who has not either attained the applicable scores designated under division (B) (1) of section 3301.0710 of the Revised Code on all the ~~tests~~ assessments required by that division , or attained the composite score designated for the assessments required by division (B)(2) of that section, shall be awarded a diploma under this section.

Sec. 3313.612. (A) No nonpublic school chartered by the state board of education shall grant ~~any~~ a high school diploma to any person unless , subject to section 3313.614 of the Revised Code, the person has met the assessment requirements of division (A)(1) or (2) of this section, as applicable.

(1) If the person entered the ninth grade prior to the date prescribed by rule of the state board under division (E)(2) of section 3301.0712 of the Revised Code, the person has attained ~~, subject to section 3313.614 of the Revised Code~~ at least the applicable scores designated under division (B) (1) of section 3301.0710 of the Revised Code on all the ~~tests~~ assessments required by that division, or has satisfied the alternative conditions prescribed in section 3313.615 of the Revised Code.

(2) If the person entered the ninth grade on or after the date prescribed by rule of the state board under division (E)(2) of section 3301.0712 of the Revised Code, the person has attained on the entire assessment system prescribed under division (B)(2) of section 3301.0710 of the Revised Code at least the required passing composite score, designated under division (C)(1) of section 3301.0712 of the Revised Code.

(B) This section does not apply to either of the following:

(1) Any person with regard to any ~~test~~ assessment from which the person was excused pursuant to division (C)(1)(c) of section 3301.0711 of the Revised Code;

(2) Any person with regard to the social studies ~~test~~ assessment under division (B)(1) of section 3301.0710 of the Revised Code, any social studies end-of-course examination required under division (B)(2) of that section if such an exemption is prescribed by rule of the state board of education under division (E)(4) of section 3301.0712 of the Revised Code, or the citizenship test under former division (B) of section 3301.0710 of the Revised Code as it existed prior to September 11, 2001, if all of the following apply:

(a) The person is not a citizen of the United States;

(b) The person is not a permanent resident of the United States;

(c) The person indicates no intention to reside in the United States after completion of high school.

(C) As used in this division, "limited English proficient student" has the same meaning as in division (C)(3) of section 3301.0711 of the Revised Code.

Notwithstanding division (C)(3) of section 3301.0711 of the Revised Code, no limited English proficient student who has not either attained the applicable scores designated under division (B) (1) of section 3301.0710 of the Revised Code on all the ~~tests~~ assessments required by that division , or attained the composite score designated for the assessments required by division (B)(2) of that section, shall be awarded a diploma under this section.

Sec. 3313.614. (A) As used in this section, a person "fulfills the curriculum requirement for a diploma" at the time one of the following conditions is satisfied:

(1) The person successfully completes the high school curriculum of a school district, a community school, a chartered nonpublic school, or a correctional institution.

(2) The person successfully completes the individualized education program developed for the person under section 3323.08 of the Revised Code.

(3) A board of education issues its determination under section 3313.611 of the Revised Code that the person qualifies as having successfully completed the curriculum required by the district.

(B) This division specifies the ~~testing~~ assessment requirements that must be fulfilled as a condition toward granting high school diplomas under sections 3313.61, 3313.611, 3313.612, and 3325.08 of the Revised Code.

(1) A person who fulfills the curriculum requirement for a diploma before September 15, 2000, is not required to pass any proficiency test or achievement test in science as a condition to receiving a diploma.

(2) A person who began ninth grade prior to July 1, 2003, is not required to pass the Ohio graduation test prescribed under division (B)(1) of section 3301.0710 or any assessment prescribed under division (B)(2) of that section in any subject as a condition to receiving a diploma once the person has passed the

ninth grade proficiency test in the same subject, so long as the person passed the ninth grade proficiency test prior to September 15, 2008. However, any such person who passes the Ohio graduation test in any subject prior to passing the ninth grade proficiency test in the same subject shall be deemed to have passed the ninth grade proficiency test in that subject as a condition to receiving a diploma. For this purpose, the ninth grade proficiency test in citizenship substitutes for the Ohio graduation test in social studies. If a person began ninth grade prior to July 1, 2003, but does not pass a ninth grade proficiency test or the Ohio graduation test in a particular subject before September 15, 2008, and passage of a test in that subject is a condition for the person to receive a diploma, the person must pass the Ohio graduation test instead of the ninth grade proficiency test in that subject to receive a diploma.

(3) A person who begins ninth grade on or after July 1, 2003, in a school district, community school, or chartered nonpublic school is not eligible to receive a diploma based on passage of ninth grade proficiency tests. Each such person who begins ninth grade prior to the date prescribed by the state board of education under division (E)(5) of section 3301.0712 of the Revised Code must pass Ohio graduation tests to meet the ~~testing~~ assessment requirements applicable to that person as a condition to receiving a diploma.

(4) A person who begins ninth grade on or after the date prescribed by the state board of education under division (E)(5) of section 3301.0712 of the Revised Code is not eligible to receive a diploma based on passage of the Ohio graduation tests. Each such person must attain on the entire assessment system prescribed under division (B)(2) of section 3301.0710 of the Revised Code at least the required passing composite score, designated under division (C)(1) of section 3301.0712 of the Revised Code.

(C) This division specifies the curriculum requirement that shall be completed as a condition toward granting high school diplomas under sections 3313.61, 3313.611, 3313.612, and 3325.08 of the Revised Code.

(1) A person who is under twenty-two years of age when the person fulfills the curriculum requirement for a diploma shall complete the curriculum required by the school district or school issuing the diploma for the first year that the person originally enrolled in high school, except for a person who qualifies for graduation from high school under either division (D) or (F) of section 3313.603 of the Revised Code.

(2) Once a person fulfills the curriculum requirement for a diploma, the person is never required, as a condition of receiving a diploma, to meet any different curriculum requirements that take effect pending the person's passage of proficiency tests or achievement tests or assessments, including changes mandated by section 3313.603 of the Revised Code, the state board, a school district board of education, or a governing authority of a community school or chartered nonpublic school.

Sec. 3313.615. This section shall apply to diplomas awarded after September 15, 2006, to students who are required to take the five Ohio

graduation tests prescribed by division (B) (1) of section 3301.0710 of the Revised Code.

(A) As an alternative to the requirement that a person attain the scores designated under division (B) (1) of section 3301.0710 of the Revised Code on all the ~~tests~~ assessments required under that division in order to be eligible for a high school diploma or an honors diploma under sections 3313.61, 3313.612, or 3325.08 of the Revised Code or for a diploma of adult education under section 3313.611 of the Revised Code, a person who has attained at least the applicable scores designated under division (B) (1) of section 3301.0710 of the Revised Code on all but one of the ~~tests~~ assessments required by that division and from which the person was not excused or exempted, pursuant to division (L) of section 3313.61, division (B)(1) of section 3313.612, or section 3313.532 of the Revised Code, may be awarded a diploma or honors diploma if the person has satisfied all of the following conditions:

(1) On the one ~~test~~ assessment required under division (B) (1) of section 3301.0710 of the Revised Code for which the person failed to attain the designated score, the person missed that score by ten points or less;

(2) Has a ninety-seven per cent school attendance rate in each of the last four school years, excluding any excused absences;

(3) Has not been expelled from school under section 3313.66 of the Revised Code in any of the last four school years;

(4) Has a grade point average of at least 2.5 out of 4.0, or its equivalent as designated in rules adopted by the state board of education, in the subject area of the ~~test~~ assessment required under division (B) (1) of section 3301.0710 of the Revised Code for which the person failed to attain the designated score;

(5) Has completed the high school curriculum requirements prescribed in section 3313.603 of the Revised Code or has qualified under division (D) or (F) of that section;

(6) Has taken advantage of any intervention programs provided by the school district or school in the subject area described in division (A)(4) of this section and has a ninety-seven per cent attendance rate, excluding any excused absences, in any of those programs that are provided at times beyond the normal school day, school week, or school year or has received comparable intervention services from a source other than the school district or school;

(7) Holds a letter recommending graduation from each of the person's high school teachers in the subject area described in division (A)(4) of this section and from the person's high school principal.

(B) The state board of education shall establish rules designating grade point averages equivalent to the average specified in division (A)(4) of this section for use by school districts and schools with different grading systems.

(C) Any student who is exempt from attaining the applicable score designated under division (B) (1) of section 3301.0710 of the Revised Code on

the Ohio graduation test in social studies pursuant to division (H) of section 3313.61 or division (B)(2) of section 3313.612 of the Revised Code shall not qualify for a high school diploma under this section, unless, notwithstanding the exemption, the student attains the applicable score on that ~~test~~ assessment. If the student attains the applicable score on that ~~test~~ assessment, the student may qualify for a diploma under this section in the same manner as any other student who is required to take the five Ohio graduation tests prescribed by division (B)(1) of section 3301.0710 of the Revised Code."

Between lines 37659 and 37660, insert:

"**Sec. 3313.6410.** This section applies to any school that is operated by a school district and in which the enrolled students work primarily on assignments in nonclassroom-based learning opportunities provided via an internet- or other computer-based instructional method.

(A) Any school to which this section applies shall withdraw from the school any student who, for two consecutive school years, has failed to participate in the spring administration of any ~~test~~ assessment prescribed under section 3301.0710 or 3301.0712 of the Revised Code for the student's grade level and was not excused from the ~~test~~ assessment pursuant to division (C)(1) or (3) of section 3301.0711 of the Revised Code, regardless of whether a waiver was granted for the student under division (E) of section 3317.03 of the Revised Code. The school shall report any such student's data verification code, as assigned pursuant to section 3301.0714 of the Revised Code, to the department of education to be added to the list maintained by the department under section 3314.26 of the Revised Code.

(B) No school to which this section applies shall receive any state funds under Chapter 3306. or 3317. of the Revised Code for any enrolled student whose data verification code appears on the list maintained by the department under section 3314.26 of the Revised Code. Notwithstanding any provision of the Revised Code to the contrary, the parent of any such student shall pay tuition to the school district that operates the school in an amount equal to the state funds the district otherwise would receive for that student, as determined by the department. A school to which this section applies may withdraw any student for whom the parent does not pay tuition as required by this division."

Between lines 37770 and 37771, insert:

Sec. ~~3313.174~~ 3313.82. The board of education of each city and exempted village school district and the governing board of each educational service center shall appoint a business advisory council. The council shall advise and provide recommendations to the board on matters specified by the board including, but not necessarily limited to, the delineation of employment skills and the development of curriculum to instill these skills; changes in the economy and in the job market, and the types of employment in which future jobs are most likely to be available; and suggestions for developing a working relationship among businesses, labor organizations, and educational personnel in the district or in the territory of the educational service center. Each board shall

determine the membership and organization of its council. Notwithstanding division (D) of section 3311.19 and division (D) of section 3311.52 of the Revised Code, this section shall not apply to the board of education of any joint vocational school district or any cooperative education school district created pursuant to divisions (A) to (C) of section 3311.52 of the Revised Code.

Sec. 3313.821. (A) The board of education of each school district shall appoint a family and civic engagement team. Each team shall do the following:

(1) Work with local county family and children first councils established under section 121.37 of the Revised Code to recommend to the board qualifications and responsibilities to be included in the job descriptions for school family and civic engagement coordinators;

(2) Develop five-year family and civic engagement plans;

(3) Provide annual progress reports on the development and implementation of the plan. The board shall submit the plan and annual progress reports to the county family and children first council.

(4) Advise and provide recommendations to the board on matters specified by the board.

(B) Each board shall determine the membership and organization of its family and civic engagement team, provided that it shall include parents, community representatives, health and human service representatives, business representatives, and any other representatives identified by the board.

(C) Notwithstanding section 3311.055 of the Revised Code, this section does not apply to the governing board of an educational service center.

(D) The governing authority of any community school established under Chapter 3314. of the Revised Code or the governing body of any STEM school established under Chapter 3326. of the Revised Code may appoint a family and civic engagement team in accordance with this section.

Sec. 3313.822. As an alternative to appointing both a business advisory council and a family and civic engagement team, the board of education of a city or exempted village school district may appoint one committee that functions as both. A committee appointed under this section shall perform all functions required of a business advisory council under section 3313.82 of the Revised Code and of a family and civic engagement team under section 3313.821 of the Revised Code. Each board shall determine the membership and organization of its committee, provided the membership shall comply with the requirements of division (B) of section 3313.821 of the Revised Code."

In line 37918, delete " tests" and insert " assessments"

In line 37922, delete " test" and insert " assessment"

In line 38108, delete " tests" and insert " assessments"

In line 38114, delete " test" and insert " assessment"

In line 38118, delete " test" and insert " assessment"

In line 38145, delete " tests" and insert " assessments"

Between lines 38152 and 38153, insert:

"**Sec. 3314.012.** (A) Within ninety days of September 28, 1999, the superintendent of public instruction shall appoint representatives of the department of education, including employees who work with the education management information system and employees of the office of community schools established by section 3314.11 of the Revised Code, to a committee to develop report card models for community schools. The director of the legislative office of education oversight shall also appoint representatives to the committee. The committee shall design model report cards appropriate for the various types of community schools approved to operate in the state. Sufficient models shall be developed to reflect the variety of grade levels served and the missions of the state's community schools. All models shall include both financial and academic data. The initial models shall be developed by March 31, 2000.

(B) The department of education shall issue an annual report card for each community school. The report card shall report the academic and financial performance of the school utilizing one of the models developed under division (A) of this section. The report card shall include all information applicable to school buildings under division (A) of section 3302.03 of the Revised Code ~~and section 3302.032 of the Revised Code~~.

(C) Upon receipt of a copy of a contract between a sponsor and a community school entered into under this chapter, the department of education shall notify the community school of the specific model report card that will be used for that school.

(D) Report cards shall be distributed to the parents of all students in the community school, to the members of the board of education of the school district in which the community school is located, and to any person who requests one from the department.

(E) No report card shall be issued for any community school under this section until the school has been open for instruction for two full school years."

In line 38377, strike through "tests" and insert " assessments"

In line 39196, strike through "tests" and insert " assessments"

In line 39198, strike through "tests" and insert " assessments"

In line 39201, strike through "test" and insert " assessment"

Between lines 39258 and 39259, insert:

"**Sec. 3314.19.** The sponsor of each community school annually shall provide the following assurances in writing to the department of education not later than ten business days prior to the opening of the school:

(A) That a current copy of the contract between the sponsor and the governing authority of the school entered into under section 3314.03 of the Revised Code has been filed with the state office of community schools established under section 3314.11 of the Revised Code and that any subsequent modifications to that contract will be filed with the office;

(B) That the school has submitted to the sponsor a plan for providing special education and related services to students with disabilities and has demonstrated the capacity to provide those services in accordance with Chapter 3323. of the Revised Code and federal law;

(C) That the school has a plan and procedures for administering the achievement ~~tests~~ and diagnostic assessments prescribed by sections 3301.0710 , 3301.0712, and 3301.0715 of the Revised Code;

(D) That school personnel have the necessary training, knowledge, and resources to properly use and submit information to all databases maintained by the department for the collection of education data, including the education management information system established under section 3301.0714 of the Revised Code in accordance with methods and timelines established under section 3314.17 of the Revised Code;

(E) That all required information about the school has been submitted to the Ohio education directory system or any successor system;

(F) That the school will enroll at least the minimum number of students required by division (A)(11)(a) of section 3314.03 of the Revised Code in the school year for which the assurances are provided;

(G) That all classroom teachers are licensed in accordance with sections 3319.22 to 3319.31 of the Revised Code, except for noncertificated persons engaged to teach up to twelve hours per week pursuant to section 3319.301 of the Revised Code;

(H) That the school's fiscal officer is in compliance with section 3314.011 of the Revised Code;

(I) That the school has complied with sections 3319.39 and 3319.391 of the Revised Code with respect to all employees and that the school has conducted a criminal records check of each of its governing authority members;

(J) That the school holds all of the following:

(1) Proof of property ownership or a lease for the facilities used by the school;

(2) A certificate of occupancy;

(3) Liability insurance for the school, as required by division (A)(11)(b) of section 3314.03 of the Revised Code, that the sponsor considers sufficient to indemnify the school's facilities, staff, and governing authority against risk;

(4) A satisfactory health and safety inspection;

(5) A satisfactory fire inspection;

(6) A valid food permit, if applicable.

(K) That the sponsor has conducted a pre-opening site visit to the school for the school year for which the assurances are provided;

(L) That the school has designated a date it will open for the school year for which the assurances are provided that is in compliance with division (A)(25) of section 3314.03 of the Revised Code;

(M) That the school has met all of the sponsor's requirements for opening and any other requirements of the sponsor.

Sec. 3314.25. Each internet- or computer-based community school shall provide its students a location within a fifty-mile radius of the student's residence at which to complete the statewide achievement ~~tests~~ and diagnostic assessments prescribed under sections 3301.079 ~~and~~ , 3301.0710 , and 3301.0712 of the Revised Code."

In line 39262, strike through "test" and insert " assessment"

In line 39264, strike through "test" and insert " assessment"

Between lines 39345 and 39346, insert:

"**Sec. 3314.36.** (A) Section 3314.35 of the Revised Code does not apply to any community school in which a majority of the students are enrolled in a dropout prevention and recovery program that is operated by the school and that has been granted a waiver by the department of education. The department shall grant a waiver to a dropout prevention and recovery program, within sixty days after the program applies for the waiver, if the program meets all of the following conditions:

(1) The program serves only students not younger than sixteen years of age and not older than twenty-one years of age.

(2) The program enrolls students who, at the time of their initial enrollment, either, or both, are at least one grade level behind their cohort age groups or experience crises that significantly interfere with their academic progress such that they are prevented from continuing their traditional programs.

(3) The program requires students to attain at least the applicable score designated for each of the ~~tests~~ assessments prescribed under division (B) (1) of section 3301.0710 of the Revised Code or, to the extent prescribed by rule of the state board of education under division (E)(6) of section 3301.0712 of the Revised Code, division (B)(2) of that section.

(4) The program develops an individual career plan for the student that specifies the student's matriculating to a two-year degree program, acquiring a business and industry credential, or entering an apprenticeship.

(5) The program provides counseling and support for the student related

to the plan developed under division (A)(4) of this section during the remainder of the student's high school experience.

(6) Prior to receiving the waiver, the program has submitted to the department an instructional plan that demonstrates how the academic content standards adopted by the state board of education under section 3301.079 of the Revised Code will be taught and assessed.

If the department does not act either to grant the waiver or to reject the program application for the waiver within sixty days as required under this section, the waiver shall be considered to be granted.

(B) Notwithstanding division (A) of this section, the department shall not grant a waiver to any community school that did not qualify for a waiver under this section when it initially began operations, unless the state board of education approves the waiver."

In line 40711, strike through "tests" and insert " assessments"

In line 40713, strike through "tests" and insert " assessments"

In line 40729, strike through "test" and insert " assessment"

In line 40731, strike through "test" and insert " assessment"

Between lines 41732 and 41733, insert:

"**Sec. 3319.151.** (A) No person shall reveal to any student any specific question that the person knows is part of ~~a test~~ an assessment to be administered under section 3301.0711 of the Revised Code or in any other way assist a pupil to cheat on such ~~a test~~ an assessment.

(B) On a finding by the state board of education, after investigation, that a school employee who holds a license issued under sections 3319.22 to 3319.31 of the Revised Code has violated division (A) of this section, the license of such teacher shall be suspended for one year. Prior to commencing an investigation, the board shall give the teacher notice of the allegation and an opportunity to respond and present a defense.

(C)(1) Violation of division (A) of this section is grounds for termination of employment of a nonteaching employee under division (C) of section 3319.081 or section 124.34 of the Revised Code.

(2) Violation of division (A) of this section is grounds for termination of a teacher contract under section 3319.16 of the Revised Code."

In line 42447, strike through "tests" and insert " assessments"

In line 42936, after the period insert " These standards shall also be aligned with the operating standards adopted under division (D)(3) of section 3301.07 of the Revised Code."

In line 42951, after " (vi)" insert " The standards under section 3301.079 of the Revised Code, including standards on collaborative learning environments

and interdisciplinary, project-based, real-world learning and differentiated instruction;

(vii)"

In line 42959, after " standards" insert " and the operating standards developed under division (D)(3) of section 3301.07 of the Revised Code"

In line 42965, after " standards" insert " and the operating standards developed under division (D)(3) of section 3301.07 of the Revised Code"

Between lines 43394 and 43395, insert:

"**Sec. 3325.08.** (A) A diploma shall be granted by the superintendent of the state school for the blind and the superintendent of the state school for the deaf to any student enrolled in one of these state schools to whom all of the following apply:

(1) The student has successfully completed the individualized education program developed for the student for the student's high school education pursuant to section 3323.08 of the Revised Code;

(2) Subject to section 3313.614 of the Revised Code, the student has met the assessment requirements of division (A)(2)(a) or (b) of this section, as applicable.

(a) If the student entered the ninth grade prior to the date prescribed by rule of the state board of education under division (E)(2) of section 3301.0712 of the Revised Code, the student either:

~~(a)~~ (i) Has attained at least the applicable scores designated under division (B) (1) of section 3301.0710 of the Revised Code on all the ~~tests~~ assessments prescribed by that division unless division (L) of section 3313.61 of the Revised Code applies to the student;

~~(b)~~ (ii) Has satisfied the alternative conditions prescribed in section 3313.615 of the Revised Code.

(b) If the student entered the ninth grade on or after the date prescribed by rule of the state board under division (E)(2) of section 3301.0712 of the Revised Code, the student has attained on the entire assessment system prescribed under division (B)(2) of section 3301.0710 of the Revised Code at least the required passing composite score, designated under division (C)(1) of section 3301.0712 of the Revised Code, except to the extent that division (L) of section 3313.61 of the Revised Code applies to the student.

(3) The student is not eligible to receive an honors diploma granted pursuant to division (B) of this section.

No diploma shall be granted under this division to anyone except as provided under this division.

(B) In lieu of a diploma granted under division (A) of this section, the superintendent of the state school for the blind and the superintendent of the state

school for the deaf shall grant an honors diploma, in the same manner that the boards of education of school districts grant such diplomas under division (B) of section 3313.61 of the Revised Code, to any student enrolled in one of these state schools who accomplishes all of the following:

(1) Successfully completes the individualized education program developed for the student for the student's high school education pursuant to section 3323.08 of the Revised Code;

(2) Subject to section 3313.614 of the Revised Code, has met the assessment requirements of division (B)(2)(a) or (b) of this section, as applicable.

(a) If the student entered the ninth grade prior to the date prescribed by rule of the state board under division (E)(2) of section 3301.0712 of the Revised Code, the student either:

~~(a)~~ (i) Has attained at least the applicable scores designated under division (B) (1) of section 3301.0710 of the Revised Code on all the ~~tests~~ assessments prescribed under that division;

~~(b)~~ (ii) Has satisfied the alternative conditions prescribed in section 3313.615 of the Revised Code.

(b) If the student entered the ninth grade on or after the date prescribed by rule of the state board under division (E)(2) of section 3301.0712 of the Revised Code, the student has attained on the entire assessment system prescribed under division (B)(2) of section 3301.0710 of the Revised Code at least the required passing composite score, designated under division (C)(1) of section 3301.0712 of the Revised Code.

(3) Has met additional criteria for granting an honors diploma.

These additional criteria shall be the same as those prescribed by the state board under division (B) of section 3313.61 of the Revised Code for the granting of such diplomas by school districts. No honors diploma shall be granted to anyone failing to comply with this division and not more than one honors diploma shall be granted to any student under this division.

(C) A diploma or honors diploma awarded under this section shall be signed by the superintendent of public instruction and the superintendent of the state school for the blind or the superintendent of the state school for the deaf, as applicable. Each diploma shall bear the date of its issue and be in such form as the school superintendent prescribes.

(D) Upon granting a diploma to a student under this section, the superintendent of the state school in which the student is enrolled shall provide notice of receipt of the diploma to the board of education of the school district where the student is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code when not residing at the state school for the blind or the state school for the deaf. The notice shall indicate the type of diploma granted."

In line 43399, strike through "3301.0712,"

Between lines 43411 and 43412, insert:

"**Sec. 3326.14.** Each science, technology, engineering, and mathematics school and its governing body shall administer the ~~tests~~ assessments required by sections 3301.0710 ~~and~~ , 3301.0711 , and 3301.0712 of the Revised Code, as if it were a school district, except that, notwithstanding any provision of those sections to the contrary, any student enrolled in a grade lower than the tenth grade in a STEM school may take one or more of the Ohio graduation tests prescribed under division (B) (1) of section 3301.0710 of the Revised Code on any of the dates prescribed ~~in division (C)(3) of that section~~ for that assessment.

Sec. 3326.23. The governing body of each science, technology, engineering, and mathematics school annually shall provide the following assurances in writing to the department of education not later than ten business days prior to the opening of the school:

(A) That the school has a plan for providing special education and related services to students with disabilities and has demonstrated the capacity to provide those services in accordance with Chapter 3323. of the Revised Code and federal law;

(B) That the school has a plan and procedures for administering the achievement ~~tests~~ and diagnostic assessments prescribed by sections 3301.0710 , 3301.0712, and 3301.0715 of the Revised Code;

(C) That school personnel have the necessary training, knowledge, and resources to properly use and submit information to all databases maintained by the department for the collection of education data, including the education management information system established under section 3301.0714 of the Revised Code;

(D) That all required information about the school has been submitted to the Ohio education directory system or any successor system;

(E) That all classroom teachers are licensed in accordance with sections 3319.22 to 3319.31 of the Revised Code or are engaged to teach pursuant to section 3319.301 of the Revised Code;

(F) That the school's treasurer is in compliance with section 3326.21 of the Revised Code;

(G) That the school has complied with sections 3319.39 and 3319.391 of the Revised Code with respect to all employees and that the school has conducted a criminal records check of each of its governing body members;

(H) That the school holds all of the following:

(1) Proof of property ownership or a lease for the facilities used by the school;

(2) A certificate of occupancy;

(3) Liability insurance for the school, as required by section 3326.11 of the Revised Code;

(4) A satisfactory health and safety inspection;

(5) A satisfactory fire inspection;

(6) A valid food permit, if applicable.

(I) That the governing body has conducted a pre-opening site visit to the school for the school year for which the assurances are provided;

(J) That the school has designated a date it will open for the school year for which the assurances are provided;

(K) That the school has met all of the governing body's requirements for opening and any other requirements of the governing body."

Between lines 43420 and 43421, insert:

"**Sec. 3326.37.** The department of education shall not pay to a science, technology, engineering, and mathematics school any amount for any of the following:

(A) Any student who has graduated from the twelfth grade of a public or nonpublic school;

(B) Any student who is not a resident of the state;

(C) Any student who was enrolled in a STEM school during the previous school year when ~~tests~~ assessments were administered under section 3301.0711 of the Revised Code but did not take one or more of the ~~tests~~ assessments required by that section and was not excused pursuant to division (C)(1) or (3) of that section, unless the superintendent of public instruction grants the student a waiver from the requirement to take the ~~test~~ assessment. The superintendent may grant a waiver only for good cause in accordance with rules adopted by the state board of education.

(D) Any student who has attained the age of twenty-two years, except for veterans of the armed services whose attendance was interrupted before completing the recognized twelve-year course of the public schools by reason of induction or enlistment in the armed forces and who apply for enrollment in a STEM school not later than four years after termination of war or their honorable discharge. If, however, any such veteran elects to enroll in special courses organized for veterans for whom tuition is paid under federal law, or otherwise, the department shall not pay to the school any amount for that veteran."

Between lines 44222 and 44223, insert:

"**Sec. 3333.123.** (A) As used in this section:

(1) "The Ohio college opportunity grant program" means the program established under section 3333.122 of the Revised Code.

(2) "Rules for the Ohio college opportunity grant program" means the rules authorized in division (S) of section 3333.04 of the Revised Code for the implementation of the program.

(B) In adopting rules for the Ohio college opportunity grant program, the chancellor of the Ohio board of regents may include provisions that give preferential or priority funding to low-income students who in their primary and secondary school work participate in or complete rigorous academic coursework, attain passing scores on the ~~tests~~ assessments prescribed in section 3301.0710 of the Revised Code, or meet other high academic performance standards determined by the chancellor to reduce the need for remediation and ensure academic success at the postsecondary education level. Any such rules shall include a specification of procedures needed to certify student achievement of primary and secondary standards as well as the timeline for implementation of the provisions authorized by this section."

In line 90842, after "3301.075," insert "3301.079, 3301.0710, 3301.0711,"; after "3301.0714," insert "3301.0715, 3301.0716, 3301.0718,"

In line 90843, after "3301.12," insert "3301.16,"; after "3301.56," insert "3302.01, 3302.02,"; after "3302.03," insert "3302.031, 3302.05, 3302.07,"

In line 90844, after "3310.03," insert "3310.11,"; after "3311.059," insert "3313.174,"; after "3313.53," insert "3313.532,"

In line 90845, after "3313.603," insert "3313.608, 3313.61, 3313.611, 3313.612, 3313.614, 3313.615,"; after "3313.642," insert "3313.6410,"

In line 90846, after "3313.978," insert "3314.012,"; after "3314.085," insert "3314.19, 3314.25,"

In line 90847, after "3314.35," insert "3314.36,"

In line 90849, after "3319.11," insert "3319.151,"

In line 90852, after "3323.05," insert "3325.08,"; after "3326.11," insert "3326.14, 3326.23,"; after "3326.36," insert "3326.37,"; after "3333.122," insert "3333.123,"

In line 90943, after "1711.58," insert "3301.0712,"; after "3301.43," insert "3302.032,"

Between lines 94224 and 94225, insert:

"**Section 265.20.15.** (A) Notwithstanding anything to the contrary in section 3301.0710, 3301.0711, 3301.0715 or 3313.608 of the Revised Code, the administration of the English language arts assessments for elementary grades as a replacement for the separate reading and writing assessments prescribed by sections 3301.0710 and 3301.0711 of the Revised Code, as those sections are amended by this act, shall not be required until a date prescribed by rule of the State Board of Education. Until that date, the Department of Education and school districts and schools shall continue to administer separate reading and

writing assessments for elementary grades, as prescribed by the versions of sections 3301.0710 and 3301.0711 of the Revised Code that were in effect prior to the effective date of this section. The intent for delaying implementation of the replacement English language arts assessment is to provide adequate time for the complete development of the new assessment.

(B) Notwithstanding anything to the contrary in section 3301.0710 of the Revised Code, the State Board shall not prescribe the three ranges of scores for the assessments prescribed by division (A)(2) of section 3301.0710 of the Revised Code, as amended by this act, until the Board adopts the rule required by division (A) of this section. Until that date, the Board shall continue to prescribe the five ranges of scores required by the version of section 3301.0710 of the Revised Code in effect prior to the effective date of this section, and the following apply:

(1) The range of scores designated by the State Board as a proficient level of skill remains the passing score on the Ohio Graduation Tests for purposes of sections 3313.61, 3313.611, 3313.612, and 3325.08 of the Revised Code;

(2) The range of scores designated as a limited level of skill remains the standard for applying the third-grade reading guarantee under division (A) of section 3313.608 of the Revised Code;

(3) The range of scores designated by the State Board as a proficient level of skill remains the standard for the summer remediation requirement of division (B)(2) of section 3313.608 of the Revised Code.

(C) This section is not subject to expiration under Section 809.10 of this act.

Section 265.20.18. Notwithstanding anything to the contrary in sections 3301.0710 and 3301.0711 of the Revised Code, in the 2009-2010 and 2010-2011 school years, the Department of Education shall not furnish, and school districts and schools shall not administer, the elementary writing and social studies achievement assessments prescribed by section 3301.0710 of the Revised Code, unless the Superintendent of Public Instruction determines the Department has sufficient funds to pay the costs of furnishing and scoring those assessments."

Delete lines 95645 through 95705

Between lines 95776 and 95777, insert:

"**Section 265.60.80.** COMMITTEE TO UPDATE STANDARDS AND CURRICULA

Not later than September 15, 2009, the State Board of Education shall convene a committee of national experts, state experts, and local practitioners to provide advice and guidance in the design of the updated standards and curricula required by section 3301.079 of the Revised Code, as amended by this act."

In line 106538, after "3301.95," insert "3302.031, 3302.05, 3302.07,"

In line 106541, after "3318.011," insert "3326.21,"

Between lines 106591f and 106592, insert:

"3301.07	The amendment that strikes through original division (N)	All amendments except the amendment described in the middle column
3313.6410	Division (A)	Division (B)
3314.03	All amendments except the amendments described in the right-hand column	The amendments to division (A)(8)"

Between lines 106635 and 106636, insert:

"Section 3313.614 of the Revised Code as amended by Am. Sub. H.B. 276 and Am. Sub. S.B. 311, both of the 126th General Assembly."

In line 64 of the title, after "3301.075," insert "3301.079, 3301.0710, 3301.0711,"

In line 65 of the title, after "3301.0714," insert "3301.0715, 3301.0716, 3301.0718,"; after "3301.12," insert "3301.16,"; after "3301.56," insert "3302.01, 3302.02,"

In line 66 of the title, after "3302.03," insert "3302.031, 3302.05, 3302.07,"; after "3310.03," insert "3310.11,"

In line 67 of the title, after "3313.53," insert "3313.532,"

In line 68 of the title, after "3313.603," insert "3313.608, 3313.61, 3313.611, 3313.612, 3313.614, 3313.615,"; after "3313.642," insert "3313.6410,"

In line 69 of the title, after "3313.978," insert "3314.012,"

In line 70 of the title, after "3314.085," insert "3314.19, 3314.25,"; after "3314.35," insert "3314.36,"

In line 73 of the title, after "3319.11," insert "3319.151,"

In line 77 of the title, after "3323.05," insert "3325.08,"; after "3326.11," insert "3326.14, 3326.23,"

In line 78 of the title, after "3326.36," insert "3326.37,"; after "3333.122," insert "3333.123,"

In line 176 of the title, after "(173.422)," insert "3313.174 (3313.82),"

In line 179 of the title, after "173.43," insert "3301.0712,"

In line 200 of the title, after "3313.719," insert "3313.821, 3313.822,"

In line 234 of the title, after "1711.58," insert "3301.0712,"; after "3301.43," insert "3302.032,"

In line 442, after "3333.91," insert "3353.09,"

In line 33365, strike through "(N)"; delete " The state board shall

"; strike through "and modify as"

Strike through lines 33366 and 33367

Between lines 46267 and 46268, insert:

" **Sec. 3353.09.** (A) Not later than January 1, 2010, the eTech Ohio commission shall develop and implement a state technology plan to create an aligned educational technology system that spans preschool to postsecondary education and complies with federal mandates. The commission periodically shall modify the plan as it determines necessary.

(B) The commission shall consult with the state board of education in the development and modification of the state technology plan."

In line 94127, after "Plan" insert "developed"; delete "3301.07" and insert "3353.09"

In line 94128, delete "developed in conjunction with the Chancellor of the"

In line 94129, delete "Board of Regents"

In line 94259, delete "pursuant to" and insert "developed under"

In line 94260, delete "3301.07" and insert "3353.09"

In line 106538, delete "3301.07,"

Between lines 106591e and 106592, insert:

"3301.07	The amendment that strikes through division (N)	All amendments except the amendment described in the middle column"

In line 202 of the title, after "3333.91," insert "3353.09,"

In line 346, after "3318.011," insert "3318.36,"

Between lines 41138 and 41139, insert:

"**Sec. 3318.36.** (A)(1) As used in this section:

(a) "Ohio school facilities commission," "classroom facilities," "school district," "school district board," "net bonded indebtedness," "required percentage of the basic project costs," "basic project cost," "valuation," and "percentile" have the same meanings as in section 3318.01 of the Revised Code.

(b) "Required level of indebtedness" means five per cent of the school district's valuation for the year preceding the year in which the commission and school district enter into an agreement under division (B) of this section, plus [two one-hundredths of one per cent multiplied by (the percentile in which the district ranks minus one)].

(c) "Local resources" means any moneys generated in any manner permitted for a school district board to raise the school district portion of a project undertaken with assistance under sections 3318.01 to 3318.20 of the

Revised Code.

(2) For purposes of determining ~~either~~ the required level of indebtedness, ~~as defined in division (A)(1)(b) of this section, or~~ the required percentage of the basic project costs ~~,~~ under division (C)(1) of this section, and priority for assistance under sections 3318.01 to 3318.20 of the Revised Code, the percentile ranking of a school district with which the commission has entered into an agreement under this section between the first day of July and the thirty-first day of August in each fiscal year is the percentile ranking calculated for that district for the immediately preceding fiscal year, and the percentile ranking of a school district with which the commission has entered into such agreement between the first day of September and the thirtieth day of June in each fiscal year is the percentile ranking calculated for that district for the current fiscal year.

(B)(1) There is hereby established the school building assistance expedited local partnership program. Under the program, the Ohio school facilities commission may enter into an agreement with the school district board of any school district under which the school district board may proceed with the new construction or major repairs of a part of the school district's classroom facilities needs, as determined under sections 3318.01 to 3318.20 of the Revised Code, through the expenditure of local resources prior to the school district's eligibility for state assistance under those sections ~~3318.01 to 3318.20 of the Revised Code~~ and may apply that expenditure toward meeting the school district's portion of the basic project cost of the total of the school district's classroom facilities needs, as determined under sections 3318.01 to 3318.20 of the Revised Code and as recalculated under division (E) of this section, that are eligible for state assistance under sections 3318.01 to 3318.20 of the Revised Code when the school district becomes eligible for ~~such state~~ that assistance. Any school district that is reasonably expected to receive assistance under sections 3318.01 to 3318.20 of the Revised Code within two fiscal years from the date the school district adopts its resolution under division (B) of this section shall not be eligible to participate in the program established under this section.

(2) To participate in the program, a school district board shall first adopt a resolution certifying to the commission the board's intent to participate in the program.

The resolution shall specify the approximate date that the board intends to seek elector approval of any bond or tax measures or to apply other local resources to use to pay the cost of classroom facilities to be constructed under this section. The resolution may specify the application of local resources or elector-approved bond or tax measures after the resolution is adopted by the board, and in such case the board may proceed with a discrete portion of its project under this section as soon as the commission and the controlling board have approved the basic project cost of the district's classroom facilities needs as specified in division (D) of this section. The board shall submit its resolution to the commission not later than ten days after the date the resolution is adopted by the board.

The commission shall not consider any resolution that is submitted pursuant to division (B)(2) of this section, as amended by this amendment, sooner than September 14, 2000.

(3) For purposes of determining when a district that enters into an agreement under this section becomes eligible for assistance under sections 3318.01 to 3318.20 of the Revised Code, the commission shall use the district's percentile ranking determined at the time the district entered into the agreement under this section, as prescribed by division (A)(2) of this section.

(4) Any project under this section shall comply with section 3318.03 of the Revised Code and with any specifications for plans and materials for classroom facilities adopted by the commission under section 3318.04 of the Revised Code.

~~(4)~~ (5) If a school district that enters into an agreement under this section has not begun a project applying local resources as provided for under that agreement at the time the district is notified by the commission that it is eligible to receive state assistance under sections 3318.01 to 3318.20 of the Revised Code, all assessment and agreement documents entered into under this section are void.

~~(5)~~ (6) Only construction of or repairs to classroom facilities that have been approved by the commission and have been therefore included as part of a district's basic project cost qualify for application of local resources under this section.

(C) Based on the results of ~~the~~ on-site visits and assessment ~~conducted under division (B)(2) of this section~~, the commission shall determine the basic project cost of the school district's classroom facilities needs. The commission shall determine the school district's portion of such basic project cost, which shall be the greater of:

(1) The required percentage of the basic project costs, determined based on the school district's percentile ranking;

(2) An amount necessary to raise the school district's net bonded indebtedness, as of the fiscal year the commission and the school district enter into the agreement under division (B) of this section, to within five thousand dollars of the required level of indebtedness.

(D)(1) When the commission determines the basic project cost of the classroom facilities needs of a school district and the school district's portion of that basic project cost under division (C) of this section, the project shall be conditionally approved. Such conditional approval shall be submitted to the controlling board for approval thereof. The controlling board shall forthwith approve or reject the commission's determination, conditional approval, and the amount of the state's portion of the basic project cost; however, no state funds shall be encumbered under this section. Upon approval by the controlling board, the school district board may identify a discrete part of its classroom facilities

needs, which shall include only new construction of or additions or major repairs to a particular building, to address with local resources. Upon identifying a part of the school district's basic project cost to address with local resources, the school district board may allocate any available school district moneys to pay the cost of that identified part, including the proceeds of an issuance of bonds if approved by the electors of the school district.

All local resources utilized under this division shall first be deposited in the project construction account required under section 3318.08 of the Revised Code.

(2) Unless the school district board exercises its option under division (D)(3) of this section, for a school district to qualify for participation in the program authorized under this section, one of the following conditions shall be satisfied:

(a) The electors of the school district by a majority vote shall approve the levy of taxes outside the ten-mill limitation for a period of twenty-three years at the rate of not less than one-half mill for each dollar of valuation to be used to pay the cost of maintaining the classroom facilities included in the basic project cost as determined by the commission. The form of the ballot to be used to submit the question whether to approve the tax required under this division to the electors of the school district shall be the form for an additional levy of taxes prescribed in section 3318.361 of the Revised Code, which may be combined in a single ballot question with the questions prescribed under section 5705.218 of the Revised Code.

(b) As authorized under division (C) of section 3318.05 of the Revised Code, the school district board shall earmark from the proceeds of a permanent improvement tax levied under section 5705.21 of the Revised Code, an amount equivalent to the additional tax otherwise required under division (D)(2)(a) of this section for the maintenance of the classroom facilities included in the basic project cost as determined by the commission.

(c) As authorized under section 3318.051 of the Revised Code, the school district board shall, if approved by the commission, annually transfer into the maintenance fund required under section 3318.05 of the Revised Code the amount prescribed in section 3318.051 of the Revised Code in lieu of the tax otherwise required under division (D)(2)(a) of this section for the maintenance of the classroom facilities included in the basic project cost as determined by the commission.

(d) If the school district board has rescinded the agreement to make transfers under section 3318.051 of the Revised Code, as provided under division (F) of that section, the electors of the school district, in accordance with section 3318.063 of the Revised Code, first shall approve the levy of taxes outside the ten-mill limitation for the period specified in that section at a rate of not less than one-half mill for each dollar of valuation.

(e) The school district board shall apply the proceeds of a tax to leverage

bonds as authorized under section 3318.052 of the Revised Code or dedicate a local donated contribution in the manner described in division (B) of section 3318.084 of the Revised Code in an amount equivalent to the additional tax otherwise required under division (D)(2)(a) of this section for the maintenance of the classroom facilities included in the basic project cost as determined by the commission.

(3) A school district board may opt to delay taking any of the actions described in division (D)(2) of this section until ~~such time as~~ the school district becomes eligible for state assistance under sections 3318.01 to 3318.20 of the Revised Code. In order to exercise this option, the board shall certify to the commission a resolution indicating the board's intent to do so prior to entering into an agreement under division (B) of this section.

(4) If pursuant to division (D)(3) of this section a district board opts to delay levying an additional tax until the district becomes eligible for state assistance, it shall submit the question of levying that tax to the district electors as follows:

(a) In accordance with section 3318.06 of the Revised Code if it will also be necessary pursuant to division (E) of this section to submit a proposal for approval of a bond issue;

(b) In accordance with section 3318.361 of the Revised Code if it is not necessary to also submit a proposal for approval of a bond issue pursuant to division (E) of this section.

(5) No state assistance under sections 3318.01 to 3318.20 of the Revised Code shall be released until a school district board that adopts and certifies a resolution under division (D) of this section also demonstrates to the satisfaction of the commission compliance with the provisions of division (D)(2) of this section.

Any amount required for maintenance under division (D)(2) of this section shall be deposited into a separate fund as specified in division (B) of section 3318.05 of the Revised Code.

(E)(1) If the school district becomes eligible for state assistance under sections 3318.01 to 3318.20 of the Revised Code based on its percentile ranking ~~as determined~~ under division (B) (3) of this section, the commission shall conduct a new assessment of the school district's classroom facilities needs and shall recalculate the basic project cost based on this new assessment. The basic project cost recalculated under this division shall include the amount of expenditures made by the school district board under division (D)(1) of this section. The commission shall then recalculate the school district's portion of the new basic project cost, which shall be the percentage of the original basic project cost assigned to the school district as its portion under division (C) of this section. The commission shall deduct the expenditure of school district moneys made under division (D)(1) of this section from the school district's portion of the basic project cost as recalculated under this division. If the amount of school

district resources applied by the school district board to the school district's portion of the basic project cost under this section is less than the total amount of such portion as recalculated under this division, the school district board by a majority vote of all of its members shall, if it desires to seek state assistance under sections 3318.01 to 3318.20 of the Revised Code, adopt a resolution as specified in section 3318.06 of the Revised Code to submit to the electors of the school district the question of approval of a bond issue in order to pay any additional amount of school district portion required for state assistance. Any tax levy approved under division (D) of this section satisfies the requirements to levy the additional tax under section 3318.06 of the Revised Code.

(2) If the amount of school district resources applied by the school district board to the school district's portion of the basic project cost under this section is more than the total amount of such portion as recalculated under this division, within one year after the school district's portion is recalculated under division (E)(1) of this section the commission may grant to the school district the difference between the two calculated portions, but at no time shall the commission expend any state funds on a project in an amount greater than the state's portion of the basic project cost as recalculated under this division.

Any reimbursement under this division shall be only for local resources the school district has applied toward construction cost expenditures for the classroom facilities approved by the commission, which shall not include any financing costs associated with that construction.

The school district board shall use any moneys reimbursed to the district under this division to pay off any debt service the district owes for classroom facilities constructed under its project under this section before such moneys are applied to any other purpose. However, the district board first may deposit moneys reimbursed under this division into the district's general fund or a permanent improvement fund to replace local resources the district withdrew from those funds, as long as, and to the extent that, those local resources were used by the district for constructing classroom facilities included in the district's basic project cost."

In line 90848, after "3318.011," insert "3318.36,"

In line 72 of the title, after "3318.011," insert "3318.36,"

Strike through line 41736

In line 41737, strike through "violations of reasonable" and delete the balance of the line

In line 41738, strike through "regulations"; delete " as set forth by"; strike through "the board of education"; strike through "or"

In line 41739, reinsert "good and just cause" and delete the balance of the line

Delete lines 41740 and 41741

In line 41742, delete " misfeasance, malfeasance, or nonfeasance"

Between lines 92256 and 92257, insert:

"COAL RESEARCH AND DEVELOPMENT

The foregoing appropriation item 898604, Coal Research and Development Fund, shall be used for research and development of clean coal technologies. On or before June 30, 2010, any unexpended and unencumbered portion of the appropriation item at the end of fiscal year 2010 is hereby reappropriated for the same purpose in fiscal year 2011."

In line 315, after "340.033," insert "343.01,"

In line 369, after "3734.281," insert "3734.53,"

Between lines 19771 and 19772, insert:

"**Sec. 343.01.** (A) In order to comply with division (B) of section 3734.52 of the Revised Code, the board of county commissioners of each county shall do one of the following:

(1) Establish, by resolution, and maintain a county solid waste management district under this chapter that consists of all the incorporated and unincorporated territory within the county except as otherwise provided in division (A) of this section;

(2) With the boards of county commissioners of one or more other counties establish, by agreement, and maintain a joint solid waste management district under this chapter that consists of all the incorporated and unincorporated territory within the counties forming the joint district except as otherwise provided in division (A) of this section.

If a municipal corporation is located in more than one solid waste management district, the entire municipal corporation shall be considered to be included in and shall be under the jurisdiction of the district in which a majority of the population of the municipal corporation resides.

A county and joint district established to comply with division (B) of section 3734.52 of the Revised Code shall have a population of not less than one hundred twenty thousand unless, in the instance of a county district, the board of county commissioners has obtained an exemption from that requirement under division (C)(1) or (2) of that section. Each joint district established to comply with an order issued under division (D) of that section shall have a population of at least one hundred twenty thousand.

(B) The boards of county commissioners of the counties establishing a joint district constitute, collectively, the board of directors of the joint district, except that if a county with a form of legislative authority other than a board of county commissioners participates, it shall be represented on the board of directors by three persons appointed by the legislative authority.

The agreement to establish and maintain a joint district shall be ratified

by resolution of the board of county commissioners of each participating county. Upon ratification, the board of directors shall take control of and manage the joint district subject to this chapter, except that, in the case of a joint district formed pursuant to division (C), (D), or (E) of section 343.012 of the Revised Code, the board of directors shall take control of and manage the district when the formation of the district becomes final under the applicable division. A majority of the board of directors constitutes a quorum, and a majority vote is required for the board to act.

A county participating in a joint district may contribute lands or rights or interests therein, money, other personal property or rights or interests therein, or services to the district. The agreement shall specify any contributions of participating counties and the rights of the participating counties in lands or personal property, or rights or interests therein, contributed to or otherwise acquired by the joint district. The agreement may be amended or added to by a majority vote of the board of directors, but no amendment or addition shall divest a participating county of any right or interest in lands or personal property without its consent.

The board of directors may appoint and fix the compensation of employees of, accept gifts, devises, and bequests for, and take other actions necessary to control and manage the joint district. Employees of the district shall be considered county employees for the purposes of Chapter 124. of the Revised Code and other provisions of state law applicable to employees. Instead of or in addition to appointing employees of the district, the board of directors may agree to use employees of one or more of the participating counties in the service of the joint district and to share in their compensation in any manner that may be agreed upon.

The board of directors shall do one of the following:

(1) Designate the county auditor, including any other official acting in a capacity similar to a county auditor under a county charter, of a county participating in the joint district as the fiscal officer of the district, and the county treasurer, or other official acting in a capacity similar to a county treasurer under a county charter, of that county as the treasurer of the district. The designated county officials shall perform any applicable duties for the district as each typically performs for the county of which ~~he~~ the individual is an official, except as otherwise may be provided in any bylaws or resolutions adopted by the board of directors. The board of directors may pay to that county any amount agreed upon by the board of directors and the board of county commissioners of that county to reimburse that county for the cost properly allocable to the service of its officials as fiscal officer and treasurer of the joint district.

(2) Appoint one individual who is neither a county auditor nor a county treasurer, and who may be an employee of the district, to serve as both the treasurer of the district and its fiscal officer. That individual shall act as custodian of the funds of the board and the district and shall maintain all accounts of the district. Any reference in this chapter or Chapter 3734. of the

Revised Code to a county auditor or county treasurer serving as fiscal officer of a district or custodian of any funds of a board or district is deemed to refer to an individual appointed under division (B)(2) of this section.

The fiscal officer of a district shall establish a general fund and any other necessary funds for the district.

(C) A board of county commissioners of a county district or board of directors of a joint district may acquire, by purchase or lease, construct, improve, enlarge, replace, maintain, and operate such solid waste collection systems within their respective districts and such solid waste facilities within or outside their respective districts as are necessary for the protection of the public health. A board of county commissioners may acquire within its county real property or any estate, interest, or right therein, by appropriation or any other method, for use by a county or joint district in connection with such facilities. Appropriation proceedings shall be conducted in accordance with sections 163.01 to 163.22 of the Revised Code.

(D) The sanitary engineer or sanitary engineering department of a county maintaining a district and any sanitary engineer or sanitary engineering department of a county in a joint district, as determined by the board of directors, in addition to other duties assigned to that engineer or department, shall assist the board of county commissioners or directors in the performance of their duties under this chapter and sections 3734.52 to 3734.575 of the Revised Code and shall be charged with any other duties and services in relation thereto that the board prescribes. A board may employ registered professional engineers to assist the sanitary engineer in those duties and also may employ financial advisers and any other professional services it considers necessary to assist it in the construction, financing, and maintenance of solid waste collection or other solid waste facilities. Such contracts of employment shall not require the certificate provided in section 5705.41 of the Revised Code. Payment for such services may be made from the general fund or any other fund legally available for that use at times that are agreed upon or as determined by the board of county commissioners or directors, and the funds may be reimbursed from the proceeds of bonds or notes issued to pay the cost of any improvement to which the services related.

(E)(1) The prosecuting attorney of the county shall serve as the legal advisor of a county district and shall provide such services to the board of county commissioners of the district as are required or authorized to be provided to other county boards under Chapter 309. of the Revised Code, except that, if the board considers it to be necessary or appropriate, the board, on its own initiative, may employ an attorney or other legal counsel on an annual basis to serve as the legal advisor of the district in place of the prosecuting attorney. When the prosecuting attorney is serving as the district's legal advisor and the board considers it to be necessary or appropriate, the board, on its own initiative, may employ an attorney or other legal counsel to represent or advise the board regarding a particular matter in place of the prosecuting attorney. The

employment of an attorney or other legal counsel on an annual basis or in a particular matter is not subject to or governed by sections 305.14 and 309.09 of the Revised Code.

Notwithstanding the employment of an attorney or other legal counsel on an annual basis to serve as the district's legal advisor, the board may require written opinions or instructions from the prosecuting attorney under section 309.09 of the Revised Code in matters connected with its official duties as though the prosecuting attorney were serving as the legal advisor of the district.

(2) The board of directors of a joint district may designate the prosecuting attorney of one of the counties forming the district to serve as the legal advisor of the district. When so designated, the prosecuting attorney shall provide such services to the joint district as are required or authorized to be provided to county boards under Chapter 309. of the Revised Code. The board of directors may pay to that county any amount agreed upon by the board of directors and the board of county commissioners of that county to reimburse that county for the cost properly allocable to the services of its prosecuting attorney as the legal advisor of the joint district. When that prosecuting attorney is so serving and the board considers it to be necessary or appropriate, the board, on its own initiative, may employ an attorney or other legal counsel to represent or advise the board regarding a particular matter in place of the prosecuting attorney.

Instead of designating the prosecuting attorney of one of the counties forming the district to be the legal advisor of the district, the board of directors may employ on an annual basis an attorney or other legal counsel to serve as the district's legal advisor. Notwithstanding the employment of an attorney or other legal counsel as the district's legal advisor, the board of directors may require written opinions or instructions from the prosecuting attorney of any of the counties forming the district in matters connected with the board's official duties, and the prosecuting attorney shall provide the written opinion or instructions as though ~~he~~ the prosecuting attorney had been designated to serve as the district's legal advisor under division (E)(2) of this section.

(F) A board of county commissioners may issue bonds or bond anticipation notes of the county to pay the cost of preparing general and detailed plans and other data required for the construction of solid waste facilities in connection with a county or joint district. A board of directors of a joint solid waste management district may issue bonds or bond anticipation notes of the joint solid waste management district to pay the cost of preparing general and detailed plans and other data required for the construction of solid waste facilities in connection with a joint district. The bonds and notes shall be issued in accordance with Chapter 133. of the Revised Code, except that the maximum maturity of bonds issued for that purpose shall not exceed ten years. Bond anticipation notes may be paid from the proceeds of bonds issued either to pay the cost of the solid waste facilities or to pay the cost of the plans and other data.

(G) To the extent authorized by the solid waste management plan of the

district approved under section 3734.521 or 3734.55 of the Revised Code or subsequent amended plans of the district approved under section 3734.521 or 3734.56 of the Revised Code, the board of county commissioners of a county district or board of directors of a joint district may adopt, publish, and enforce rules doing any of the following:

(1) Prohibiting or limiting the receipt of solid wastes generated outside the district or outside a service area prescribed in the solid waste management plan or amended plan, at facilities ~~covered by the plan~~ located within the solid waste management district, consistent with the projections contained in the plan or amended plan under divisions (A)(6) and (7) of section 3734.53 of the Revised Code ~~, except that~~ . However, rules adopted by a board under division (G)(1) of this section may be adopted and enforced with respect to solid waste disposal facilities in the solid waste management district that are not owned by a county or the solid waste management district only if the board submits an application to the director of environmental protection that demonstrates that there is insufficient capacity to dispose of all solid wastes that are generated within the district at the solid waste disposal facilities located within the district and the director approves the application. The demonstration in the application shall be based on projections contained in the plan or amended plan of the district. The director shall establish the form of the application. The approval or disapproval of such an application by the director is an action that is appealable under section 3745.04 of the Revised Code.

In addition, the director of environmental protection may issue an order modifying a rule adopted under division (G)(1) of this section to allow the disposal in the district of solid wastes from another county or joint solid waste management district if all of the following apply:

(a) The district in which the wastes were generated does not have sufficient capacity to dispose of solid wastes generated within it for six months following the date of the director's order;

(b) No new solid waste facilities will begin operation during those six months in the district in which the wastes were generated and, despite good faith efforts to do so, it is impossible to site new solid waste facilities within the district because of its high population density;

(c) The district in which the wastes were generated has made good faith efforts to negotiate with other districts to incorporate its disposal needs within those districts' solid waste management plans, including efforts to develop joint facilities authorized under section 343.02 of the Revised Code, and the efforts have been unsuccessful;

(d) The district in which the wastes were generated has located a facility willing to accept the district's solid wastes for disposal within the receiving district;

(e) The district in which the wastes were generated has demonstrated to the director that the conditions specified in divisions (G)(1)(a) to (d) of this

section have been met;

(f) The director finds that the issuance of the order will be consistent with the state solid waste management plan and that receipt of the out-of-district wastes will not limit the capacity of the receiving district to dispose of its in-district wastes to less than eight years.

Any order issued under division (G)(1) of this section shall not become final until thirty days after it has been served by certified mail upon the county or joint solid waste management district that will receive the out-of-district wastes.

(2) Governing the maintenance, protection, and use of solid waste collection or other solid waste facilities located within its district. The rules adopted under division (G)(2) of this section shall not establish design standards for solid waste facilities and shall be consistent with the solid waste provisions of Chapter 3734. of the Revised Code and the rules adopted under those provisions. The rules adopted under division (G)(2) of this section may prohibit any person, municipal corporation, township, or other political subdivision from constructing, enlarging, or modifying any solid waste facility until general plans and specifications for the proposed improvement have been submitted to and approved by the board of county commissioners or board of directors as complying with the solid waste management plan or amended plan of the district. The construction of such a facility shall be done under the supervision of the county sanitary engineer or, in the case of a joint district, a county sanitary engineer designated by the board of directors, and any person, municipal corporation, township, or other political subdivision proposing or constructing such improvements shall pay to the county or joint district all expenses incurred by the board in connection therewith. The sanitary engineer may enter upon any public or private property for the purpose of making surveys or examinations necessary for designing solid waste facilities or for supervising the construction, enlargement, modification, or operation of any such facilities. No person, municipal corporation, township, or other political subdivision shall forbid or interfere with the sanitary engineer or ~~his~~ the sanitary engineer's authorized assistants entering upon such property for that purpose. If actual damage is done to property by the making of the surveys and examinations, a board shall pay the reasonable value of that damage to the owner of the property damaged, and the cost shall be included in the financing of the improvement for which the surveys and examinations are made.

(3) Governing the development and implementation of a program for the inspection of solid wastes generated outside the boundaries of this state that are disposed of at solid waste facilities included in the district's solid waste management plan or amended plan. A board of county commissioners or board of directors or its authorized representative may enter upon the premises of any solid waste facility included in the district's solid waste management plan or amended plan for the purpose of conducting the inspections required or authorized by the rules adopted under division (G)(3) of this section. No person, municipal corporation, township, or other political subdivision shall forbid or

interfere with a board of county commissioners or directors or its authorized representative entering upon the premises of any such solid waste facility for that purpose.

(4) Exempting the owner or operator of any existing or proposed solid waste facility provided for in the plan or amended plan from compliance with any amendment to a township zoning resolution adopted under section 519.12 of the Revised Code or to a county rural zoning resolution adopted under section 303.12 of the Revised Code that rezoned or redistricted the parcel or parcels upon which the facility is to be constructed or modified and that became effective within two years prior to the filing of an application for a permit required under division (A)(2)(a) of section 3734.05 of the Revised Code to open a new or modify an existing solid waste facility.

(H) A board of county commissioners or board of directors may enter into a contract with any person, municipal corporation, township, or other political subdivision for the operation and maintenance of any solid waste facilities regardless of whether the facilities are owned or leased by the county or joint district or the contractor.

(I)(1) No person, municipal corporation, township, or other political subdivision shall tamper with or damage any solid waste facility constructed under this chapter or any apparatus or accessory connected therewith or pertaining thereto, fail or refuse to comply with the applicable rules adopted by a board of county commissioners or directors under division (G)(1), (2), (3), or (4) of this section, refuse to permit an inspection or examination by a sanitary engineer as authorized under division (G)(2) of this section, or refuse to permit an inspection by a board of county commissioners or directors or its authorized representative as required or authorized by rules adopted under division (G)(3) of this section.

(2) If the board of county commissioners of a county district or board of directors of a joint district has established facility designations under section 343.013, 343.014, or 343.015 of the Revised Code, or the director has established facility designations in the initial or amended plan of the district prepared and ordered to be implemented under section 3734.521, 3734.55, or 3734.56 of the Revised Code, no person, municipal corporation, township, or other political subdivision shall deliver, or cause the delivery of, any solid wastes generated within a county or joint district to any solid waste facility other than the facility designated under section 343.013, 343.014, or 343.015 of the Revised Code, or in the initial or amended plan of the district prepared and ordered to be implemented under section 3734.521, 3734.55, or 3734.56 of the Revised Code, as applicable. Upon the request of a person or the legislative authority of a municipal corporation or township, the board of county commissioners of a county district or board of directors of a joint district may grant a waiver authorizing the delivery of all or any portion of the solid wastes generated in a municipal corporation or township to a solid waste facility other than the facility designated under section 343.013, 343.014, or 343.015 of the

Revised Code, or in the initial or amended plan of the district prepared and ordered to be implemented under section 3734.521, 3734.55, or 3734.56 of the Revised Code, as applicable, regardless of whether the other facility is located within or outside of the district, if the board finds that delivery of those solid wastes to the other facility is not inconsistent with the projections contained in the district's initial or amended plan under divisions (A)(6) and (7) of section 3734.53 of the Revised Code as approved or ordered to be implemented and will not adversely affect the implementation and financing of the district's initial or amended plan pursuant to the implementation schedule contained in it under divisions (A)(12)(a) to (d) of that section. The board shall act on a request for such a waiver within ninety days after receiving the request. Upon granting such a waiver, the board shall send notice of that fact to the director. The notice shall indicate to whom the waiver was granted. Any waiver or authorization granted by a board on or before October 29, 1993, shall continue in force until the board takes action concerning the same entity under this division or until action is taken under division (G) of section 343.014 of the Revised Code.

(J) Divisions (G)(1) to (4) and (I)(2) of this section do not apply to the construction, operation, use, repair, enlargement, or modification of either of the following:

(1) A solid waste facility owned by a generator of solid wastes when the solid waste facility exclusively disposes of solid wastes generated at one or more premises owned by the generator regardless of whether the facility is located on a premises where the wastes are generated;

(2) A facility that exclusively disposes of wastes that are generated from the combustion of coal, or from the combustion of primarily coal in combination with scrap tires, that is not combined in any way with garbage at one or more premises owned by the generator.

(K)(1) A member of the board of county commissioners of a county solid waste management district, member of the board of directors of a joint solid waste management district, member of the board of trustees of a regional solid waste management authority managing a county or joint solid waste management district, or officer or employee of any solid waste management district, for the purposes of sections 102.03, 102.04, 2921.41, and 2921.42 of the Revised Code, shall not be considered to be directly or indirectly interested in, or improperly influenced by, any of the following:

(a) A contract entered into under this chapter or section 307.15 or sections 3734.52 to 3734.575 of the Revised Code between the district and any county forming the district, municipal corporation or township located within the district, or health district having territorial jurisdiction within the district, of which that member, officer, or employee also is an officer or employee, but only to the extent that any interest or influence could arise from ~~his~~ holding public office or employment with the political subdivision or health district;

(b) A contract entered into under this chapter or section 307.15 or

sections 3734.52 to 3734.575 of the Revised Code between the district and a county planning commission organized under section 713.22 of the Revised Code, or regional planning commission created under section 713.21 of the Revised Code, having territorial jurisdiction within the district, of which that member also is a member, officer, or employee, but only to the extent that any interest or influence could arise from ~~his~~ holding public office or employment with the commission;

(c) An expenditure of money made by the district for the benefit of any county forming the district, municipal corporation or township located within the district, or health district or county or regional planning commission having territorial jurisdiction within the district, of which that member also is a member, officer, or employee, but only to the extent that any interest or influence could arise from ~~his~~ holding public office or employment with the political subdivision, health district, or commission;

(d) An expenditure of money made for the benefit of the district by any county forming the district, municipal corporation or township located within the district, or health district or county or regional planning commission having territorial jurisdiction within the district, of which that member also is a member, officer, or employee, but only to the extent that any interest or influence could arise from ~~his~~ holding public office or employment with the political subdivision, health district, or commission.

(2) A solid waste management district, county, municipal corporation, township, health district, or planning commission described or referred to in divisions (K)(1)(a) to (d) of this section shall not be construed to be the business associate of a person who is concurrently a member of the board of county commissioners, directors, or trustees, or an officer or employee, of the district and an officer or employee of that municipal corporation, county, township, health district, or planning commission for the purposes of sections 102.03, 2921.42, and 2921.43 of the Revised Code. Any person who is concurrently a member of the board of county commissioners, directors, or trustees, or an officer or employee, of a solid waste management district so described or referred to and an officer or employee of a county, municipal corporation, township, health district, or planning commission so described or referred to may participate fully in deliberations concerning and vote on or otherwise participate in the approval or disapproval of any contract or expenditure of funds described in those divisions as a member of the board of county commissioners or directors, or an officer or employee, of a county or joint solid waste management district; member of the board of trustees, or an officer or employee, of a regional solid waste management authority managing a county or joint solid waste management district; member of the legislative authority, or an officer or employee, of a county forming the district; member of the legislative authority, or an officer or employee, of a municipal corporation or township located within the district; member of the board of health, or an officer or employee, of a health district having territorial jurisdiction within the district; or member of the planning commission, or an officer or employee of a county or regional planning

commission having territorial jurisdiction within the district.

(3) Nothing in division (K)(1) or (2) of this section shall be construed to exempt any member of the board of county commissioners, directors, or trustees, or an officer or employee, of a solid waste management district from a conflict of interest arising because of a personal or private business interest.

(4) A member of the board of county commissioners of a county solid waste management district, board of directors of a joint solid waste management district, or board of trustees of a regional solid waste management authority managing a county or joint solid waste management district, or an officer or employee, of any such solid waste management district, neither shall be disqualified from holding any other public office or position of employment nor be required to forfeit any other public office or position of employment by reason of ~~his~~ serving as a member of the board of county commissioners, directors, or trustees, or as an officer or employee, of the district, notwithstanding any requirement to the contrary under the common law of this state or the Revised Code.

(L) As used in this chapter:

(1) "Board of health," "disposal," "health district," "scrap tires," and "solid waste transfer facility" have the same meanings as in section 3734.01 of the Revised Code.

(2) "Change in district composition" and "change" have the same meaning as in section 3734.521 of the Revised Code.

(3)(a) Except as provided in division (L)(3)(b) or (c), and (d), of this section, "solid wastes" has the same meaning as in section 3734.01 of the Revised Code.

(b) If the solid waste management district is not one that resulted from proceedings for a change in district composition under sections 343.012 and 3734.521 of the Revised Code, until such time as an amended solid waste management plan is approved under section 3734.56 of the Revised Code, "solid wastes" need not include scrap tires unless the solid waste management policy committee established under section 3734.54 of the Revised Code for the district chooses to include the management of scrap tires in the district's initial solid waste management plan prepared under sections 3734.54 and 3734.55 of the Revised Code.

(c) If the solid waste management district is one resulting from proceedings for a change in district composition under sections 343.012 and 3734.521 of the Revised Code and if the change involves an existing district that is operating under either an initial solid waste management plan approved or prepared and ordered to be implemented under section 3734.55 of the Revised Code or an initial or amended plan approved or prepared and ordered to be implemented under section 3734.521 of the Revised Code that does not provide for the management of scrap tires and scrap tire facilities, until such time as the

amended plan of the district resulting from the change is approved under section 3734.56 of the Revised Code, "solid wastes" need not include scrap tires unless the solid waste management policy committee established under division (C) of section 3734.521 of the Revised Code for the district chooses to include the management of scrap tires in the district's initial or amended solid waste management plan prepared under section 3734.521 of the Revised Code in connection with the change proceedings.

(d) If the policy committee chooses to include the management of scrap tires in an initial plan prepared under sections 3734.54 and 3734.55 of the Revised Code or in an initial or amended plan prepared under section 3734.521 of the Revised Code, the board of county commissioners or directors shall execute all of the duties imposed and may exercise any or all of the rights granted under this section for the purpose of managing solid wastes that consist of scrap tires.

(4)(a) Except as provided in division (L)(4)(b) or (c), and (d) of this section, "facility" has the same meaning as in section 3734.01 of the Revised Code and also includes any solid waste transfer, recycling, or resource recovery facility.

(b) If the solid waste management district is not one that resulted from proceedings for a change in district composition under sections 343.012 and 3734.521 of the Revised Code, until such time as an amended solid waste management plan is approved under section 3734.56 of the Revised Code, "facility" need not include any scrap tire collection, storage, monocell, monofill, or recovery facility unless the solid waste management policy committee established under section 3734.54 of the Revised Code for the district chooses to include the management of scrap tire facilities in the district's initial solid waste management plan prepared under sections 3734.54 and 3734.55 of the Revised Code.

(c) If the solid waste management district is one resulting from proceedings for a change in district composition under sections 343.012 and 3734.521 of the Revised Code and if the change involves an existing district that is operating under either an initial solid waste management plan approved under section 3734.55 of the Revised Code or an initial or amended plan approved or prepared and ordered to be implemented under section 3734.521 of the Revised Code that does not provide for the management of scrap tires and scrap tire facilities, until such time as the amended plan of the district resulting from the change is approved under section 3734.56 of the Revised Code, "facility" need not include scrap tires unless the solid waste management policy committee established under division (C) of section 3734.521 of the Revised Code for the district chooses to include the management of scrap tires in the district's initial or amended solid waste management plan prepared under section 3734.521 of the Revised Code in connection with the change proceedings.

(d) If the policy committee chooses to include the management of scrap tires in an initial plan prepared under sections 3734.54 and 3734.55 of the

Revised Code or in an initial or amended plan prepared under section 3734.521 of the Revised Code, the board of county commissioners or directors shall execute all of the duties imposed and may exercise any or all of the rights granted under this section for the purpose of managing solid waste facilities that are scrap tire collection, storage, monocell, monofill, or recovery facilities."

Between lines 55189 and 55190, insert:

"**Sec. 3734.53.** (A) The solid waste management plan of any county or joint solid waste management district shall be prepared in a format prescribed by the director of environmental protection and shall provide for compliance with the objectives of the state solid waste management plan and rules adopted under section 3734.50 of the Revised Code. The plan shall provide for, demonstrate, and certify the availability of and access to sufficient solid waste management facility capacity to meet the solid waste management needs of the district for the ten-year period covered by the plan. The solid waste management policy committee of a county or joint district created in section 3734.54 of the Revised Code may prepare and submit a solid waste management plan that covers and makes the required demonstration for a longer period of time.

The solid waste management plan shall contain all of the following:

(1) An inventory of the sources, composition, and quantities of solid wastes generated in the district during the current year;

(2) An inventory of all existing facilities where solid wastes are being disposed of, all resource recovery facilities, and all recycling activities within the district. The inventory shall identify each such facility or activity and, for each disposal facility, shall estimate the remaining disposal capacity available at the facility. The inventory shall be accompanied by a map that shows the location of each such existing facility or activity.

(3) An inventory of existing solid waste collection systems and routes, transportation systems and routes, and transfer facilities within the district. The inventory shall identify the entities engaging in solid waste collection within the district.

(4) An inventory of open dumping sites for solid wastes, including solid wastes consisting of scrap tires, and facilities for the disposal of fly ash and bottom ash, foundry sand, and slag within the district. The inventory shall identify each such site or facility and shall be accompanied by a map that shows the location of each of them.

(5) A projection of population changes within the district during the next ten years;

(6) For each year of the forecast period, projections of the amounts and composition of solid wastes that will be generated within the district, the amounts of solid wastes originating outside the district that will be brought into the district for disposal or resource recovery, the nature of industrial activities within the district, and the effect of newly regulated waste streams, solid waste

minimization activities, and solid waste recycling and reuse activities on solid waste generation rates. For each year of the forecast period, projections of waste quantities shall be compiled as an aggregate quantity of wastes.

(7) An identification of the additional solid waste management facilities and the amount of additional capacity needed to dispose of the quantities of wastes projected in division (A)(6) of this section;

(8) A strategy for identification of sites for the additional solid waste management facilities and capacity identified under division (A)(7) of this section;

(9) An analysis and comparison of the capital and operating costs of the solid waste disposal facilities, solid waste resource recovery facilities, and solid waste recycling and reuse activities necessary to meet the solid waste management needs of the district, projected in five- and ten-year increments;

(10) An analysis of expenses for which the district is liable under section 3734.35 of the Revised Code;

(11) A projection of solid waste transfer facilities that will be needed in conjunction with existing solid waste facilities and those projected under division (A)(7) of this section;

(12) Such other projections as the district considers necessary or appropriate to ascertain and meet the solid waste management needs of the district during the period covered by the plan;

(13) A schedule for implementation of the plan that, when applicable, contains all of the following:

(a) An identification of the solid waste disposal, transfer, and resource recovery facilities and recycling activities contained in the plan where solid wastes generated within or transported into the district will be taken for disposal, transfer, resource recovery, or recycling. An initial or amended plan prepared and ordered to be implemented by the director under section 3734.521, 3734.55, or 3734.56 of the Revised Code may designate solid waste disposal, transfer, or resource recovery facilities or recycling activities that are owned by a municipal corporation, county, county or joint solid waste management district, township, or township waste disposal district created under section 505.28 of the Revised Code for which debt issued under Chapter 133., 343., or 6123. of the Revised Code is outstanding where solid wastes generated within or transported into the district shall be taken for disposal, transfer, resource recovery, or recycling.

(b) A schedule for closure of existing solid waste facilities, expansion of existing facilities, and establishment of new facilities. The schedule for expansion of existing facilities or establishment of new facilities shall include, without limitation, the approximate dates for filing applications for appropriate permits to install or modify those facilities under section 3734.05 of the Revised Code.

(c) A schedule for implementation of solid waste recycling, reuse, and reduction programs needed to meet the waste reduction, recycling, reuse, and minimization objectives of the state solid waste management plan and rules adopted by the director under section 3734.50 of the Revised Code;

(d) The methods of financing implementation of the plan and a demonstration of the availability of financial resources for that purpose.

(14) A program for providing informational or technical assistance regarding source reduction to solid waste generators, or particular categories of solid waste generators, within the district. The plan shall set forth the types of assistance to be provided by the district and the specific categories of generators that are to be served. The district has the sole discretion to determine the types of assistance that are to be provided under the program and the categories of generators to be served by it.

(B) In addition to the information, projections, demonstrations, and certification required by division (A) of this section, a plan shall do all of the following:

(1) Establish the schedule of fees, if any, to be levied under divisions (B)(1) to (3) of section 3734.57 of the Revised Code;

(2) Establish the fee, if any, to be levied under division (A) of section 3734.573 of the Revised Code;

(3) Contain provisions governing the allocation among the purposes enumerated in divisions (G)(1) to (10) of section 3734.57 of the Revised Code of the moneys credited to the special fund of the district under division (G) of that section that are available for expenditure by the district under that division. The plan shall do all of the following:

(a) Ensure that sufficient of the moneys so credited to and available from the special fund are available for use by the solid waste management policy committee of the district at the time the moneys are needed to monitor implementation of the plan and conduct its periodic review and amendment as required under section 3734.56 of the Revised Code;

(b) Contain provisions governing the allocation and distribution of moneys credited to and available from the special fund of the district to health districts within the county or joint district that have approved programs under section 3734.08 of the Revised Code for the purposes of division (G)(3) of section 3734.57 of the Revised Code;

(c) Contain provisions governing the allocation and distribution of moneys credited to and available from the special fund of the district to the county in which solid waste facilities are or are to be located and operated under the plan for the purposes of division (G)(4) of section 3734.57 of the Revised Code;

(d) Contain provisions governing the allocation and distribution, pursuant

to contracts entered into for that purpose, of moneys credited to and available from the special fund of the district to boards of health within the district in which solid waste facilities contained in the district's plan are located for the purposes of division (G)(5) of section 3734.57 of the Revised Code.

(4) Incorporate all solid waste recycling activities that were in operation within the district on the effective date of the plan.

(C) The solid waste management plan of a county or joint district may provide for the adoption of rules under division (G) of section 343.01 of the Revised Code after approval of the plan under section 3734.521 or 3734.55 of the Revised Code doing any or all of the following:

(1) Prohibiting or limiting the receipt at facilities ~~covered by the plan~~ located within the solid waste management district of solid wastes generated outside the district or outside a prescribed service area consistent with the projections under divisions (A)(6) and (7) of this section ~~, except that~~ . However, rules adopted by a board under division (C)(1) of this section may be adopted and enforced with respect to solid waste disposal facilities in the solid waste management district that are not owned by a county or the solid waste management district only if the board submits an application to the director of environmental protection that demonstrates that there is insufficient capacity to dispose of all solid wastes that are generated within the district at the solid waste disposal facilities located within the district and the director approves the application. The demonstration in the application shall be based on projections contained in the plan or amended plan of the district. The director shall establish the form of the application. The approval or disapproval of such an application by the director is an action that is appealable under section 3745.04 of the Revised Code.

In addition, the director of environmental protection may issue an order modifying a rule authorized to be adopted under division (C)(1) of this section to allow the disposal in the district of wastes from another county or joint solid waste management district if all of the following apply:

(a) The district in which the wastes were generated does not have sufficient capacity to dispose of solid wastes generated within it for six months following the date of the director's order;

(b) No new solid waste facilities will begin operation during those six months in the district in which the wastes were generated and, despite good faith efforts to do so, it is impossible to site new solid waste facilities within the district because of its high population density;

(c) The district in which the wastes were generated has made good faith efforts to negotiate with other districts to incorporate its disposal needs within those districts' solid waste management plans, including efforts to develop joint facilities authorized under section 343.02 of the Revised Code, and the efforts have been unsuccessful;

(d) The district in which the wastes were generated has located a facility willing to accept the district's solid wastes for disposal within the receiving district;

(e) The district in which the wastes were generated has demonstrated to the director that the conditions specified in divisions (C)(1)(a) to (d) of this section have been met;

(f) The director finds that the issuance of the order will be consistent with the state solid waste management plan and that receipt of the out-of-district wastes will not limit the capacity of the receiving district to dispose of its in-district wastes to less than eight years. Any order issued under division (C)(1) of this section shall not become final until thirty days after it has been served by certified mail upon the county or joint solid waste management district that will receive the out-of-district wastes.

(2) Governing the maintenance, protection, and use of solid waste collection, storage, disposal, transfer, recycling, processing, and resource recovery facilities within the district and requiring the submission of general plans and specifications for the construction, enlargement, or modification of any such facility to the board of county commissioners or board of directors of the district for review and approval as complying with the plan or amended plan of the district;

(3) Governing development and implementation of a program for the inspection of solid wastes generated outside the boundaries of the state that are being disposed of at solid waste facilities included in the district's plan;

(4) Exempting the owner or operator of any existing or proposed solid waste facility provided for in the plan from compliance with any amendment to a township zoning resolution adopted under section 519.12 of the Revised Code or to a county rural zoning resolution adopted under section 303.12 of the Revised Code that rezoned or redistricted the parcel or parcels upon which the facility is to be constructed or modified and that became effective within two years prior to the filing of an application for a permit required under division (A)(2)(a) of section 3734.05 of the Revised Code to open a new or modify an existing solid waste facility.

(D) Except for the inventories required by divisions (A)(1), (2), and (4) of this section and the projections required by division (A)(6) of this section, neither this section nor the solid waste management plan of a county or joint district applies to the construction, operation, use, repair, or maintenance of either of the following:

(1) A solid waste facility owned by a generator of solid wastes when the solid waste facility exclusively disposes of solid wastes generated at one or more premises owned by the generator regardless of whether the facility is located on a premises where the wastes are generated;

(2) A facility that exclusively disposes of wastes that are generated from

the combustion of coal, or from the combustion of primarily coal in combination with scrap tires, that is not combined in any way with garbage at one or more premises owned by the generator.

(E)(1) The initial solid waste management plans prepared by county or joint districts under section 3734.521 of the Revised Code and the amended plans prepared under section 3734.521 or 3734.56 of the Revised Code shall contain a clear statement as to whether the board of county commissioners or directors is authorized to or precluded from establishing facility designations under section 343.014 of the Revised Code.

(2) A policy committee that is preparing a draft or revised draft plan under section 3734.55 of the Revised Code on October 29, 1993, may include in the draft or revised draft plan only one of the following pertaining to the solid waste facilities or recycling activities where solid wastes generated within or transported into the district are to be taken for disposal, transfer, resource recovery, or recycling:

(a) The designations required under former division (A)(12)(a) of this section as it existed prior to October 29, 1993;

(b) The identifications required in division (A)(12)(a) of this section and the statement required under division (E)(1) of this section;

(c) Both of the following:

(i) The designations required under former division (A)(12)(a) of this section as it existed prior to October 29, 1993, except that those designations only shall pertain to solid waste disposal, transfer, or resource recovery facilities or recycling activities that are owned by a municipal corporation, county, county or joint solid waste management district, township, or township waste disposal district created under section 505.28 of the Revised Code for which debt issued under Chapter 133., 343., or 6123. of the Revised Code is outstanding;

(ii) The identifications required under division (A)(12)(a) of this section, and the statement required under division (E)(1) of this section, pertaining to the solid waste facilities and recycling activities described in division (A) of section 343.014 of the Revised Code.

(F) Notwithstanding section 3734.01 of the Revised Code, "solid wastes" does not include scrap tires and "facility" does not include any scrap tire collection, storage, monocell, monofill, or recovery facility in either of the following circumstances:

(1) For the purposes of an initial plan prepared and ordered to be implemented by the director under section 3734.55 of the Revised Code;

(2) For the purposes of an initial or amended plan prepared and ordered to be implemented by the director under division (D) or (F)(1) or (2) of section 3734.521 of the Revised Code in connection with a change in district composition as defined in that section that involves an existing district that is

operating under either an initial plan approved or prepared and ordered to be implemented under section 3734.55 of the Revised Code or an initial or amended plan approved or prepared and ordered to be implemented under section 3734.521 of the Revised Code that does not provide for the management of scrap tires and scrap tire facilities.

(G) Notwithstanding section 3734.01 of the Revised Code, and except as provided in division (A)(4) of this section, "solid wastes" need not include scrap tires and "facility" need not include any scrap tire collection, storage, monocell, monofill, or recovery facility in either of the following circumstances:

(1) For the purposes of an initial plan prepared under sections 3734.54 and 3734.55 of the Revised Code unless the solid waste management policy committee preparing the initial plan chooses to include the management of scrap tires and scrap tire facilities in the plan;

(2) For the purposes of a preliminary demonstration of capacity as defined in section 3734.521 of the Revised Code, if any, and an initial or amended plan prepared under that section by the solid waste management policy committee of a solid waste management district resulting from proceedings for a change in district composition under sections 343.012 and 3734.521 of the Revised Code that involves an existing district that is operating either under an initial plan approved or prepared and ordered to be implemented under section 3734.55 of the Revised Code or under an initial or amended plan approved or prepared and ordered to be implemented under section 3734.521 of the Revised Code that does not provide for the management of scrap tires and scrap tire facilities unless the solid waste management policy committee of the district resulting from the change chooses to include the management of scrap tires and scrap tire facilities in the preliminary demonstration of capacity, if any, and the initial or amended plan prepared under section 3734.521 of the Revised Code in connection with the change proceedings.

If a policy committee chooses to include the management of scrap tires and scrap tire facilities in an initial plan pursuant to division (G)(1) of this section, the initial plan shall incorporate all of the elements required under this section, and may incorporate any of the elements authorized under this section, for the purpose of managing solid wastes that consist of scrap tires and solid waste facilities that are scrap tire collection, storage, monocell, monofill, or recovery facilities. If a policy committee chooses to provide for the management of scrap tires and scrap tire facilities pursuant to division (G)(2) of this section, the preliminary demonstration of capacity, if one is required, shall incorporate all of the elements required under division (E)(1) or (2) of section 3734.521 of the Revised Code, as appropriate, for the purpose of managing solid wastes that consist of scrap tires and solid waste facilities that are scrap tire collection, storage, monocell, monofill, or recovery facilities. The initial or amended plan also shall incorporate all of the elements required under this section, and may incorporate any of the elements authorized under this section, for the purpose of managing solid wastes that consist of scrap tires and solid waste facilities that

are scrap tire collection, storage, monocell, monofill, or recovery facilities.

(H) Neither this section nor the solid waste management plan of a county or joint district applies to the construction, operation, use, repair, or maintenance of any compost facility that exclusively composts raw rendering material."

In line 90817, after "340.033," insert "343.01,"

In line 90871, after "3734.281," insert "3734.53,"

In line 29 of the title, after "340.033," insert "343.01,"

In line 105 of the title, after "3734.281," insert "3734.53,"

In line 442, after "3333.91," insert "3345.36,"

In line 45532, after "obligations" insert " or assurances"

In line 45534, after "obligations" insert " or assurances"

In line 45540, after "obligations" insert " or assurances"

In line 45541, after "obligations" insert " or assurances"

In line 45574, after "facilities" insert " or entrepreneurial projects"

In line 45577, after "obligations" insert " or assurances" in both places

In line 45578, after "obligations" insert " or assurances"

Between lines 45586 and 45587, insert:

" (15) "Assurances" means bonds, notes, or other evidence of indebtedness, including interest coupons pertaining thereto, authorized to be issued under section 3345.36 of the Revised Code.

(16) "Entrepreneurial project" has the same meaning as in section 3345.36 of the Revised Code.

(17) "Costs of entrepreneurial projects" means any costs related to the establishment or development of entrepreneurial projects pursuant to a resolution adopted under section 3345.36 of the Revised Code."

In line 45594, after "obligations" insert " and assurances"; after "Obligations" insert " and assurances"

In line 45595, after "facilities" insert " or entrepreneurial projects"

In line 45598, after "Obligations" insert " and assurances"

In line 45608, after "Obligations" insert " or assurances"

In line 45615, after "obligations" insert " or assurances"

In line 45618, after "obligation" insert " or assurance"

In line 45623, after "obligations" insert " or assurances"

In line 45628, after "obligations" insert " or assurances"

In line 45634, after "obligations" insert " or assurances"

In line 45642, after "obligations" insert " or assurances"

In line 45660, after "obligations" insert " or assurances"

In line 45661, after "obligations" insert " and assurances"

In line 45664, after "facilities" insert " or entrepreneurial projects"

In line 45666, after "obligations" insert " or assurances"

In line 45672, after "obligations" insert " or assurances"

In line 45674, after "facilities" insert " or entrepreneurial projects"; after "obligations" insert " or assurances"

In line 45676, after "obligations" insert " or assurances"; after "assuring" insert " any applicable"

In line 45682, after "facilities" insert " or entrepreneurial projects"

In line 45686, after "obligations" insert " or assurances"

In line 45688, after "obligations" insert " or assurances"

In line 45706, after "education" insert " or its entrepreneurial projects"

In line 45708, after "facilities" insert " or entrepreneurial projects"

In line 45710, after "obligations" insert " or assurances"

In line 45714, after "obligations" insert " or assurances"

In line 45716, after "obligations" insert " or assurances"

In line 45718, after "obligation" insert " or assurance"

In line 45723, after "obligations" insert " or assurances"

In line 45724, after "obligations" insert " or assurances" in both places

In line 45727, after "obligations" insert " or assurances"

In line 45730, after "obligations" insert " or assurances"

In line 45732, after "obligations" insert " or assurances"

In line 45733, after "obligations" insert " or assurances"

In line 45735, after "obligations" insert " or assurances" in both places

In line 45739, after "obligations" insert " or assurances"

In line 45742, after "obligations" insert " or assurances"

In line 45743, after "obligations" insert " or assurances"

In line 45749, after "obligations" insert " or assurances"

In line 45757, after "obligations" insert " or assurances"

In line 45762, after "obligations" insert " or assurances"

In line 45766, after "obligations" insert " or assurances"

In line 45769, after "obligations" insert " or assurances"

In line 45770, after "obligations" insert " or assurances"

In line 45785, after "obligations" insert " or assurances"

In line 45787, after "obligations" insert " or assurances"

In line 45789, after "obligations" insert " or assurances"

In line 45803, after "obligations" insert " or assurances"

In line 45805, after "obligations" insert " or assurances"

In line 45806, after "obligations" insert " or assurances"

In line 45807, after "facilities" insert " or entrepreneurial projects"; after "obligations" insert " or assurances"

In line 45808, after "obligations" insert " or assurances"

In line 45810, after "obligations" insert " or assurances"

In line 45811, after "obligations" insert " or assurances"

In line 45813, after "obligations" insert " or assurances"

In line 45815, after "obligations" insert " or assurances"

In line 45816, after "Obligations" insert " and assurances"

In line 45833, after "facilities" insert " or entrepreneurial projects"

In line 45835, after "obligations" insert " or assurances"

In line 45840, after "obligations" insert " or assurances"

In line 45844, after "3345.11," insert " 3345.36,"

In line 45859, after "facilities" insert " or entrepreneurial projects"

In line 45863, after "facilities" insert " or entrepreneurial projects"

In line 45873, after "Code" insert " or entrepreneurial projects authorized under section 3345.36 of the Revised Code"

In line 45881, after "Code" insert " or, if the proceeds relate to the sale or lease of entrepreneurial projects, for purposes of section 3345.36 of the Revised Code"

In line 45887, after "3345.11," insert " 3345.36,"

Between lines 45970 and 45971, insert:

" **Sec. 3345.36.** (A) For purposes of this section:

(1) "Entrepreneurial project" means an effort to develop or commercialize technology through research or technology transfer or investment of real or personal property, or both, including undivided and other interests therein, acquired by gift or purchase, constructed, reconstructed, enlarged, improved, furnished, or equipped, or any combination thereof, by an institution of higher education or by others.

(2) "Governmental agency" has the same meaning as in section 166.01 of the Revised Code.

(3) "Person" means individuals or entities engaged in industry, commerce, distribution, or research.

(4) "Institution of higher education" has the same meaning as in section 3345.12 of the Revised Code.

(5) "Stock or other ownership" means equity or other ownership rights held or received in return for the grant of rights to intellectual property developed by an institution of higher education. "Stock or other ownership" excludes equity or other ownership rights held or received in return for the investment of money.

(B) To create or preserve jobs and employment opportunities and to improve the economic welfare of the people of the state pursuant to Section 13 of Article VIII, Ohio Constitution, it is hereby declared to be the public policy of the state for institutions of higher education to facilitate and assist with establishing and developing entrepreneurial projects or to assist and cooperate with any governmental agency in achieving such purpose. An entrepreneurial project is hereby determined to qualify as property, structures, equipment, and facilities described in Section 13 of Article VIII, Ohio Constitution.

In furtherance of such public policy, and pursuant to Section 13 of Article VIII, Ohio Constitution, a board of trustees of an institution of higher education may do any of the following by resolution:

(1) Enter into an agreement with persons and with governmental agencies to induce such persons to acquire, construct, reconstruct, rehabilitate, renovate, enlarge, improve, equip, furnish, or otherwise develop entrepreneurial projects;

(2) Acquire stock or other ownership in an entrepreneurial project or a legal entity formed in connection with an entrepreneurial project;

(3) Make or guarantee loans and borrow money and issue bonds, notes, or other evidence of indebtedness to provide moneys for the acquisition, construction, enlargement, improvement, equipment, maintenance, repair, or operation of entrepreneurial projects, provided that such bonds, notes, or other evidence of indebtedness shall not constitute debt for which the full faith and credit of the state or an instrumentality or political subdivision of the state may be pledged and moneys raised by taxation shall not be obligated or pledged for their repayment."

In line 202 of the title, after "3333.91," insert "3345.36,"

In line 430, after "166.061," insert "166.22,"

Between lines 15705 and 15706, insert:

" **Sec. 166.22.** (A) There is hereby created in the state treasury the rapid outreach loan fund, which shall consist of money transferred to the fund from the funds created and used under sections 166.20, 166.21, 166.25, and 166.26 of the Revised Code. Money in the fund shall be used for eligible projects only, as limited by the purposes for which money may be used under each fund from which the money is transferred, and applied to allowable costs as provided under those sections. The fund shall also consist of any other money appropriated to it and money received by the state from the repayment of loans and recovery on loan guarantees, including interest thereon, and the repayment and recovery of grants, made from the fund. All investment earnings on the cash balance in the fund shall be credited to the fund. The fund shall not be comprised, in any part, of money raised by taxation.

(B) The director of development, with the approval of the controlling board and subject to other applicable provisions of this chapter, may lend or grant money in the rapid outreach loan fund to persons for the purpose of paying allowable costs of eligible projects, if the director determines that all of the following conditions are met:

(1) The project is economically sound;

(2) The project is an eligible project under division (D) of section 166.01 of the Revised Code or is otherwise eligible for funding under the applicable fund from which the money is transferred to the rapid outreach loan fund;

(3) The amount to be provided from the rapid outreach loan fund is a reasonable amount given the scope of the eligible project as determined by the director;

(4) If the money provided is in the form of a loan, the director shall determine whether the loan is to be repaid or may be forgiven. If the loan must be repaid, the director must determine whether the loan has been secured by a mortgage, assignment, pledge, lien provided for under section 9.661 of the Revised Code, or other interest in property or other assets of the borrower, at such level of priority and value as the director considers necessary, provided that, in making such a determination, the director shall take into account the value of any rights granted by the borrower to the director to control the use of any assets of the borrower under the circumstances described in the loan documents.

(C) The determinations of the director under division (B) of this section shall be conclusive for purposes of the validity of a loan or grant agreement signed by the director.

(D) Fees, charges, rates of interest, times of payment of interest and

principal, and other terms and conditions of, and security for, loans and grants made from the rapid outreach loan fund shall be such as the director determines to be appropriate and in furtherance of the purpose for which the loans and grants are made. The moneys used in making loans and grants shall be disbursed from the fund upon order of the director. Unless otherwise specified in any indenture or other instrument securing obligations under division (D) of section 166.08 of the Revised Code, any payments of principal and interest from loans and grants made from the fund, including any proceeds of actions to collect the loans or to recover grant funds, shall be paid to the fund and used for the purpose of making loans and grants under this section.

(E) The director may take actions necessary or appropriate to collect or otherwise deal with any loan or grant made under this section.

(F) The director may fix service charges for the making of a loan. The charges shall be payable at such times and place and in such amounts and manner as may be prescribed by the director.

(G)(1) There shall be credited to the rapid outreach loan fund money received by this state from the repayment of loans, including interest thereon, made from the fund, and money received from the sale, lease, or other disposition of property acquired or constructed with money in the fund derived from the proceeds of the sale of obligations under section 166.08 of the Revised Code. Money in the fund shall be applied as provided in this chapter pursuant to appropriations made by the general assembly.

(2) In addition to the requirements in division (G)(1) of this section, money referred to in that division may be deposited to the credit of separate accounts established by the director within the rapid outreach loan fund or in the bond service fund and pledged to the security of obligations, applied to the payment of bond service charges without need for appropriation, released from any such pledge and transferred to the rapid outreach loan fund, all as, and to the extent, provided in the bond proceedings pursuant to written directions of the director. Accounts may be established by the director in the rapid outreach loan fund for particular projects or otherwise. The director may withdraw from the fund or, subject to provisions of the applicable bond proceedings, from any special funds established pursuant to the bond proceedings, or from any accounts in such funds, any amounts of investment income required to be rebated and paid to the federal government in order to maintain the exemption from federal income taxation of interest on obligations issued under this chapter, which withdrawal and payment may be made without the necessity for appropriation."

Between lines 93224 and 93225, insert:

"**Section 259.10.30.** RAPID OUTREACH GRANTS

Of the foregoing appropriation item 195412, Rapid Outreach Grants, $5,000,000 in each fiscal year shall be used as an incentive for attracting, expanding, and retaining business opportunities for the state in accordance with Chapter 166. of the Revised Code. Of that amount, no more than five per cent in

each fiscal year shall be used for administrative costs of Rapid Outreach Program.

The department shall award funds directly to business entities considering Ohio for their expansion or new site location opportunities. Rapid Outreach grants shall be used by recipients to purchase equipment, make infrastructure improvements, make real property improvements, or fund other fixed assets. To meet the particular needs of economic development in a region, the department may elect to award funds directly to a political subdivision to assist with making on- or off-site infrastructure improvements to water and sewage treatment facilities, electric or gas service connections, fiber optic access, rail facilities, site preparation, and parking facilities. The Director of Development may recommend that the funds be used for alternative purposes when considered appropriate to satisfy an economic development opportunity or need deemed extraordinary in nature by the Director including, but not limited to, construction, rehabilitation, and acquisition projects for rail freight assistance as requested by the Department of Transportation. The Director of Transportation shall submit the proposed projects to the Director of Development for an evaluation of potential economic benefit.

Moneys awarded directly to business entities from the foregoing appropriation item 195412, Rapid Outreach Grants, may be expended only after the submission of a request to the Controlling Board by the Department of Development outlining the planned use of the funds, and the subsequent approval of the request by the Controlling Board."

Delete line 93485

In line 93486, delete "Grants;"

Delete lines 93491 through 93529

Between lines 93590 and 93591, insert:

"**Section 259.___.___.** RAPID OUTREACH LOANS

Of the foregoing appropriation item 195606, Rapid Outreach Loans, $15,000,000 in each fiscal year shall be used to provide financial assistance in the form of forgivable loans or grants for eligible projects in accordance with Chapter 166. of the Revised Code. Such loans or grants shall be awarded on the same basis as awards from appropriation item 195412, Rapid Outreach Grants, and shall be repaid in such a manner as determined by the Director of Development in accordance with section 166.22 of the Revised Code.

When necessary, the Director of Budget and Management may transfer the cash arising from the issuance of obligations under section 166.08 of the Revised Code or from the funds mentioned in sections 166.20, 166.21, 166.25, and 166.26 of the Revised Code, into the Rapid Outreach Loan Fund (Fund 7022). The Director may make additional transfers on later dates as determined by the Director, in consultation with the Director of Development, provided the total amount of transfers does not exceed $30,000,000 for fiscal years 2010 and

2011.

The foregoing appropriation item 195606, Rapid Outreach Loans, may be expended only after the submission of a request to the Controlling Board by the Department of Development outlining the planned use of the funds, and the subsequent approval of the request by the Controlling Board."

In line 188 of the title, after "166.061," insert "166.22,"

In line 44941, reinsert "voting"

In line 44942, delete " nonvoting"

Delete lines 96675 through 96695

In line 96496, delete "$440,086 $440,086" and insert "$544,543 $588,943"

In line 96498, delete "$440,086 $440,086" and insert "$544,543 $588,943"

In line 96499, delete "$2,099,396 $2,099,396" and insert "$2,203,853 $2,248,253"

In line 61857, after " training" insert " , provided that such serving or consumption of beer or intoxicating liquor shall be done according to the policies and procedures agreed upon by the commanding officers of the foreign military units, the adjutant general, and the United States department of defense liaisons or their designated representatives to the foreign military units."

In line 430, delete "166.061,"

Delete lines 15591 through 15634

Between lines 103302 and 103303, insert:

"**Section 521.90.** FEDERAL FUNDS FOR HISTORIC PRESERVATION LOAN GUARANTEE

(A) As used in this section:

(1) "Approved historic rehabilitation project" means a rehabilitation of a historic building that the Director of Development has approved for a rehabilitation tax credit under section 149.311 of the Revised Code.

(2) "Federal funds" means federal money available to states under the American Recovery and Reinvestment Act of 2009 or any other source of federal money available to the states, that may lawfully be used for the purposes of this section.

(3) "Owner" and "qualified rehabilitation expenditures" have the same meanings as in section 149.311 of the Revised Code.

(B) There is hereby created in the state treasury the Ohio Historic Preservation Tax Credit Fund. The fund shall consist of money obtained by the

Director of Development under division (C) of this section. Money in the fund shall be used to secure and pay guarantees of loans for approved historic rehabilitation projects as provided in this section.

(C) The Director of Development may undertake to secure $75,000,000 of federal funds for crediting to the Ohio Historic Preservation Tax Credit Fund. If the Director secures such funds, the Director, for the purpose of creating new jobs or preserving existing jobs and employment opportunities and improving the economic welfare of the people of this state, shall enter into loan guarantee contracts under section 166.06 of the Revised Code in connection with approved historic rehabilitation projects, except that the guarantees shall be secured solely by and be payable solely from the Ohio Historic Preservation Tax Credit Fund. Money deposited into the Ohio Historic Preservation Tax Credit Fund shall be prioritized by providing loan guarantees for approved historic rehabilitation projects from the first funding round of the Ohio Historic Preservation Tax Credit Program before being used to provide loan guarantees for approved historic rehabilitation projects approved in subsequent funding rounds. The amount of a loan guarantee provided under this section shall not exceed the amount of the credit to be awarded for the approved historic rehabilitation project. References to the loan guarantee fund in divisions (C) and (F) of section 166.06 of the Revised Code shall be construed as references to the Ohio Historic Preservation Tax Credit Fund for the purposes of loan guarantees authorized by this section, except that no transfer shall be made to the Ohio Historic Preservation Tax Credit Fund from the facilities establishment fund as may otherwise be required by that section.

(D) Nothing in this section is a determination by the General Assembly that federal funds are currently available for the purposes of this section. Rather, this section evidences a determination by the General Assembly that public purposes will be advanced by the use of current or future federal funds for the purposes of this section."

In line 188 of the title, delete "166.061,"

In line 304, after "131.33," insert "133.01,"

Between lines 12810 and 12811, insert:

"**Sec. 133.01.** As used in this chapter, in sections 9.95, 9.96, and 2151.655 of the Revised Code, in other sections of the Revised Code that make reference to this chapter unless the context does not permit, and in related proceedings, unless otherwise expressly provided:

(A) "Acquisition" as applied to real or personal property includes, among other forms of acquisition, acquisition by exercise of a purchase option, and acquisition of interests in property, including, without limitation, easements and rights-of-way, and leasehold and other lease interests initially extending or extendable for a period of at least sixty months.

(B) "Anticipatory securities" means securities, including notes, issued in

anticipation of the issuance of other securities.

(C) "Board of elections" means the county board of elections of the county in which the subdivision is located. If the subdivision is located in more than one county, "board of elections" means the county board of elections of the county that contains the largest portion of the population of the subdivision or that otherwise has jurisdiction in practice over and customarily handles election matters relating to the subdivision.

(D) "Bond retirement fund" means the bond retirement fund provided for in section 5705.09 of the Revised Code, and also means a sinking fund or any other special fund, regardless of the name applied to it, established by or pursuant to law or the proceedings for the payment of debt charges. Provision may be made in the applicable proceedings for the establishment in a bond retirement fund of separate accounts relating to debt charges on particular securities, or on securities payable from the same or common sources, and for the application of moneys in those accounts only to specified debt charges on specified securities or categories of securities. Subject to law and any provisions in the applicable proceedings, moneys in a bond retirement fund or separate account in a bond retirement fund may be transferred to other funds and accounts.

(E) "Capitalized interest" means all or a portion of the interest payable on securities from their date to a date stated or provided for in the applicable legislation, which interest is to be paid from the proceeds of the securities.

(F) "Chapter 133. securities" means securities authorized by or issued pursuant to or in accordance with this chapter.

(G) "County auditor" means the county auditor of the county in which the subdivision is located. If the subdivision is located in more than one county, "county auditor" means the county auditor of the county that contains the highest amount of the tax valuation of the subdivision or that otherwise has jurisdiction in practice over and customarily handles property tax matters relating to the subdivision. In the case of a county that has adopted a charter, "county auditor" means the officer who generally has the duties and functions provided in the Revised Code for a county auditor.

(H) "Credit enhancement facilities" means letters of credit, lines of credit, stand-by, contingent, or firm securities purchase agreements, insurance, or surety arrangements, guarantees, and other arrangements that provide for direct or contingent payment of debt charges, for security or additional security in the event of nonpayment or default in respect of securities, or for making payment of debt charges to and at the option and on demand of securities holders or at the option of the issuer or upon certain conditions occurring under put or similar arrangements, or for otherwise supporting the credit or liquidity of the securities, and includes credit, reimbursement, marketing, remarketing, indexing, carrying, interest rate hedge, and subrogation agreements, and other agreements and arrangements for payment and reimbursement of the person providing the credit

enhancement facility and the security for that payment and reimbursement.

(I) "Current operating expenses" or "current expenses" means the lawful expenditures of a subdivision, except those for permanent improvements and for payments of debt charges of the subdivision.

(J) "Debt charges" means the principal, including any mandatory sinking fund deposits and mandatory redemption payments, interest, and any redemption premium, payable on securities as those payments come due and are payable. The use of "debt charges" for this purpose does not imply that any particular securities constitute debt within the meaning of the Ohio Constitution or other laws.

(K) "Financing costs" means all costs and expenses relating to the authorization, including any required election, issuance, sale, delivery, authentication, deposit, custody, clearing, registration, transfer, exchange, fractionalization, replacement, payment, and servicing of securities, including, without limitation, costs and expenses for or relating to publication and printing, postage, delivery, preliminary and final official statements, offering circulars, and informational statements, travel and transportation, underwriters, placement agents, investment bankers, paying agents, registrars, authenticating agents, remarketing agents, custodians, clearing agencies or corporations, securities depositories, financial advisory services, certifications, audits, federal or state regulatory agencies, accounting and computation services, legal services and obtaining approving legal opinions and other legal opinions, credit ratings, redemption premiums, and credit enhancement facilities. Financing costs may be paid from any moneys available for the purpose, including, unless otherwise provided in the proceedings, from the proceeds of the securities to which they relate and, as to future financing costs, from the same sources from which debt charges on the securities are paid and as though debt charges.

(L) "Fiscal officer" means the following, or, in the case of absence or vacancy in the office, a deputy or assistant authorized by law or charter to act in the place of the named officer, or if there is no such authorization then the deputy or assistant authorized by legislation to act in the place of the named officer for purposes of this chapter, in the case of the following subdivisions:

(1) A county, the county auditor;

(2) A municipal corporation, the city auditor or village clerk or clerk-treasurer, or the officer who, by virtue of a charter, has the duties and functions provided in the Revised Code for the city auditor or village clerk or clerk-treasurer;

(3) A school district, the treasurer of the board of education;

(4) A regional water and sewer district, the secretary of the board of trustees;

(5) A joint township hospital district, the treasurer of the district;

(6) A joint ambulance district, the clerk of the board of trustees;

(7) A joint recreation district, the person designated pursuant to section 755.15 of the Revised Code;

(8) A detention facility district or a district organized under section 2151.65 of the Revised Code or a combined district organized under sections 2152.41 and 2151.65 of the Revised Code, the county auditor of the county designated by law to act as the auditor of the district;

(9) A township, a fire district organized under division (C) of section 505.37 of the Revised Code, or a township police district, the fiscal officer of the township;

(10) A joint fire district, the clerk of the board of trustees of that district;

(11) A regional or county library district, the person responsible for the financial affairs of that district;

(12) A joint solid waste management district, the fiscal officer appointed by the board of directors of the district under section 343.01 of the Revised Code;

(13) A joint emergency medical services district, the person appointed as fiscal officer pursuant to division (D) of section 307.053 of the Revised Code;

(14) A fire and ambulance district, the person appointed as fiscal officer under division (B) of section 505.375 of the Revised Code;

(15) A subdivision described in division (MM)(17) of this section, the officer who is designated by law as or performs the functions of its chief fiscal officer.

(M) "Fiscal year" has the same meaning as in section 9.34 of the Revised Code.

(N) "Fractionalized interests in public obligations" means participations, certificates of participation, shares, or other instruments or agreements, separate from the public obligations themselves, evidencing ownership of interests in public obligations or of rights to receive payments of, or on account of, principal or interest or their equivalents payable by or on behalf of an obligor pursuant to public obligations.

(O) "Fully registered securities" means securities in certificated or uncertificated form, registered as to both principal and interest in the name of the owner.

(P) "Fund" means to provide for the payment of debt charges and expenses related to that payment at or prior to retirement by purchase, call for redemption, payment at maturity, or otherwise.

(Q) "General obligation" means securities to the payment of debt charges on which the full faith and credit and the general property taxing power,

including taxes within the tax limitation if available to the subdivision, of the subdivision are pledged.

(R) "Interest" or "interest equivalent" means those payments or portions of payments, however denominated, that constitute or represent consideration for forbearing the collection of money, or for deferring the receipt of payment of money to a future time.

(S) "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1 et seq., as amended, and includes any laws of the United States providing for application of that code.

(T) "Issuer" means any public issuer and any nonprofit corporation authorized to issue securities for or on behalf of any public issuer.

(U) "Legislation" means an ordinance or resolution passed by a majority affirmative vote of the then members of the taxing authority unless a different vote is required by charter provisions governing the passage of the particular legislation by the taxing authority.

(V) "Mandatory sinking fund redemption requirements" means amounts required by proceedings to be deposited in a bond retirement fund for the purpose of paying in any year or fiscal year by mandatory redemption prior to stated maturity the principal of securities that is due and payable, except for mandatory prior redemption requirements as provided in those proceedings, in a subsequent year or fiscal year.

(W) "Mandatory sinking fund requirements" means amounts required by proceedings to be deposited in a year or fiscal year in a bond retirement fund for the purpose of paying the principal of securities that is due and payable in a subsequent year or fiscal year.

(X) "Net indebtedness" has the same meaning as in division (A) of section 133.04 of the Revised Code.

(Y) "Obligor," in the case of securities or fractionalized interests in public obligations issued by another person the debt charges or their equivalents on which are payable from payments made by a public issuer, means that public issuer.

(Z) "One purpose" relating to permanent improvements means any one permanent improvement or group or category of permanent improvements for the same utility, enterprise, system, or project, development or redevelopment project, or for or devoted to the same general purpose, function, or use or for which self-supporting securities, based on the same or different sources of revenues, may be issued or for which special assessments may be levied by a single ordinance or resolution. "One purpose" includes, but is not limited to, in any case any off-street parking facilities relating to another permanent improvement, and:

(1) Any number of roads, highways, streets, bridges, sidewalks, and

viaducts;

(2) Any number of off-street parking facilities;

(3) In the case of a county, any number of permanent improvements for courthouse, jail, county offices, and other county buildings, and related facilities;

(4) In the case of a school district, any number of facilities and buildings for school district purposes, and related facilities.

(AA) "Outstanding," referring to securities, means securities that have been issued, delivered, and paid for, except any of the following:

(1) Securities canceled upon surrender, exchange, or transfer, or upon payment or redemption;

(2) Securities in replacement of which or in exchange for which other securities have been issued;

(3) Securities for the payment, or redemption or purchase for cancellation prior to maturity, of which sufficient moneys or investments, in accordance with the applicable legislation or other proceedings or any applicable law, by mandatory sinking fund redemption requirements, mandatory sinking fund requirements, or otherwise, have been deposited, and credited for the purpose in a bond retirement fund or with a trustee or paying or escrow agent, whether at or prior to their maturity or redemption, and, in the case of securities to be redeemed prior to their stated maturity, notice of redemption has been given or satisfactory arrangements have been made for giving notice of that redemption, or waiver of that notice by or on behalf of the affected security holders has been filed with the subdivision or its agent for the purpose.

(BB) "Paying agent" means the one or more banks, trust companies, or other financial institutions or qualified persons, including an appropriate office or officer of the subdivision, designated as a paying agent or place of payment of debt charges on the particular securities.

(CC) "Permanent improvement" or "improvement" means any property, asset, or improvement certified by the fiscal officer, which certification is conclusive, as having an estimated life or period of usefulness of five years or more, and includes, but is not limited to, real estate, buildings, and personal property and interests in real estate, buildings, and personal property, equipment, furnishings, and site improvements, and reconstruction, rehabilitation, renovation, installation, improvement, enlargement, and extension of property, assets, or improvements so certified as having an estimated life or period of usefulness of five years or more. The acquisition of all the stock ownership of a corporation is the acquisition of a permanent improvement to the extent that the value of that stock is represented by permanent improvements. A permanent improvement for parking, highway, road, and street purposes includes resurfacing, but does not include ordinary repair.

(DD) "Person" has the same meaning as in section 1.59 of the Revised

Code and also includes any federal, state, interstate, regional, or local governmental agency, any subdivision, and any combination of those persons.

(EE) "Proceedings" means the legislation, certifications, notices, orders, sale proceedings, trust agreement or indenture, mortgage, lease, lease-purchase agreement, assignment, credit enhancement facility agreements, and other agreements, instruments, and documents, as amended and supplemented, and any election proceedings, authorizing, or providing for the terms and conditions applicable to, or providing for the security or sale or award of, public obligations, and includes the provisions set forth or incorporated in those public obligations and proceedings.

(FF) "Public issuer" means any of the following that is authorized by law to issue securities or enter into public obligations:

(1) The state, including an agency, commission, officer, institution, board, authority, or other instrumentality of the state;

(2) A taxing authority, subdivision, district, or other local public or governmental entity, and any combination or consortium, or public division, district, commission, authority, department, board, officer, or institution, thereof;

(3) Any other body corporate and politic, or other public entity.

(GG) "Public obligations" means both of the following:

(1) Securities;

(2) Obligations of a public issuer to make payments under installment sale, lease, lease purchase, or similar agreements, which obligations may bear interest or interest equivalent.

(HH) "Refund" means to fund and retire outstanding securities, including advance refunding with or without payment or redemption prior to maturity.

(II) "Register" means the books kept and maintained by the registrar for registration, exchange, and transfer of registered securities.

(JJ) "Registrar" means the person responsible for keeping the register for the particular registered securities, designated by or pursuant to the proceedings.

(KK) "Securities" means bonds, notes, certificates of indebtedness, commercial paper, and other instruments in writing, including, unless the context does not admit, anticipatory securities, issued by an issuer to evidence its obligation to repay money borrowed, or to pay interest, by, or to pay at any future time other money obligations of, the issuer of the securities, but not including public obligations described in division (GG)(2) of this section.

(LL) "Self-supporting securities" means securities or portions of securities issued for the purpose of paying costs of permanent improvements to the extent that receipts of the subdivision, other than the proceeds of taxes levied by that subdivision, derived from or with respect to the improvements or the operation of the improvements being financed, or the enterprise, system, project,

or category of improvements of which the improvements being financed are part, are estimated by the fiscal officer to be sufficient to pay the current expenses of that operation or of those improvements or enterprise, system, project, or categories of improvements and the debt charges payable from those receipts on securities issued for the purpose. Until such time as the improvements or increases in rates and charges have been in operation or effect for a period of at least six months, the receipts therefrom, for purposes of this definition, shall be those estimated by the fiscal officer, except that those receipts may include, without limitation, payments made and to be made to the subdivision under leases or agreements in effect at the time the estimate is made. In the case of an operation, improvements, or enterprise, system, project, or category of improvements without at least a six-month history of receipts, the estimate of receipts by the fiscal officer, other than those to be derived under leases and agreements then in effect, shall be confirmed by the taxing authority.

(MM) "Subdivision" means any of the following:

(1) A county, including a county that has adopted a charter under Article X, Ohio Constitution;

(2) A municipal corporation, including a municipal corporation that has adopted a charter under Article XVIII, Ohio Constitution;

(3) A school district;

(4) A regional water and sewer district organized under Chapter 6119. of the Revised Code;

(5) A joint township hospital district organized under section 513.07 of the Revised Code;

(6) A joint ambulance district organized under section 505.71 of the Revised Code;

(7) A joint recreation district organized under division (C) of section 755.14 of the Revised Code;

(8) A detention facility district organized under section 2152.41, a district organized under section 2151.65, or a combined district organized under sections 2152.41 and 2151.65 of the Revised Code;

(9) A township police district organized under section 505.48 of the Revised Code;

(10) A township;

(11) A joint fire district organized under section 505.371 of the Revised Code;

(12) A county library district created under section 3375.19 or a regional library district created under section 3375.28 of the Revised Code;

(13) A joint solid waste management district organized under section

343.01 or 343.012 of the Revised Code;

(14) A joint emergency medical services district organized under section 307.052 of the Revised Code;

(15) A fire and ambulance district organized under section 505.375 of the Revised Code;

(16) A fire district organized under division (C) of section 505.37 of the Revised Code;

(17) Any other political subdivision or taxing district or other local public body or agency authorized by this chapter or other laws to issue Chapter 133. securities.

(NN) "Taxing authority" means in the case of the following subdivisions:

(1) A county, a county library district, or a regional library district, the board or boards of county commissioners, or other legislative authority of a county that has adopted a charter under Article X, Ohio Constitution, but with respect to such a library district acting solely as agent for the board of trustees of that district;

(2) A municipal corporation, the legislative authority;

(3) A school district, the board of education;

(4) A regional water and sewer district, a joint ambulance district, a joint recreation district, a fire and ambulance district, or a joint fire district, the board of trustees of the district;

(5) A joint township hospital district, the joint township hospital board;

(6) A detention facility district or a district organized under section 2151.65 of the Revised Code, a combined district organized under sections 2152.41 and 2151.65 of the Revised Code, or a joint emergency medical services district, the joint board of county commissioners;

(7) A township, a fire district organized under division (C) of section 505.37 of the Revised Code, or a township police district, the board of township trustees;

(8) A joint solid waste management district organized under section 343.01 or 343.012 of the Revised Code, the board of directors of the district;

(9) A subdivision described in division (MM)(17) of this section, the legislative or governing body or official.

(OO) "Tax limitation" means the "ten-mill limitation" as defined in section 5705.02 of the Revised Code without diminution by reason of section 5705.313 of the Revised Code or otherwise, or, in the case of a municipal corporation or county with a different charter limitation on property taxes levied to pay debt charges on unvoted securities, that charter limitation. Those limitations shall be respectively referred to as the "ten-mill limitation" and the

"charter tax limitation."

(PP) "Tax valuation" means the aggregate of the valuations of property subject to ad valorem property taxation by the subdivision on the real property, personal property, and public utility property tax lists and duplicates most recently certified for collection, and shall be calculated without deductions of the valuations of otherwise taxable property exempt in whole or in part from taxation by reason of exemptions of certain amounts of taxable value under division (C) of section 5709.01, tax reductions under section 323.152 of the Revised Code, or similar laws now or in the future in effect.

For purposes of section 133.06 of the Revised Code, "tax valuation" shall not include the valuation of tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, or personal property owned or leased by a railroad company and used in railroad operations listed under or described in section 5711.22, division (B) or (F) of section 5727.111, or section 5727.12 of the Revised Code.

(QQ) "Year" means the calendar year.

(RR) "Administrative agent," "agent," "commercial paper," "floating rate interest structure," "indexing agent," "interest rate hedge," "interest rate period," "put arrangement," and "remarketing agent" have the same meanings as in section 9.98 of the Revised Code.

(SS) "Sales tax supported" means obligations to the payment of debt charges on which an additional sales tax or additional sales taxes have been pledged by the taxing authority of a county pursuant to section 133.081 of the Revised Code."

In line 90806, after "131.33," insert "133.01,"

In line 16 of the title, after "131.33," insert "133.01,"

In line 304, after "133.06," insert "133.18,"

Between lines 13067 and 13068, insert:

"**Sec. 133.18.** (A) The taxing authority of a subdivision may by legislation submit to the electors of the subdivision the question of issuing any general obligation bonds, for one purpose, that the subdivision has power or authority to issue.

(B) When the taxing authority of a subdivision desires or is required by law to submit the question of a bond issue to the electors, it shall pass legislation that does all of the following:

(1) Declares the necessity and purpose of the bond issue;

(2) States the date of the authorized election at which the question shall be submitted to the electors;

(3) States the amount, approximate date, estimated net average rate of

interest, and maximum number of years over which the principal of the bonds may be paid;

(4) Declares the necessity of levying a tax outside the tax limitation to pay the debt charges on the bonds and any anticipatory securities.

The estimated net average interest rate shall be determined by the taxing authority based on, among other factors, then existing market conditions, and may reflect adjustments for any anticipated direct payments expected to be received by the taxing authority from the government of the United States relating to the bonds and the effect of any federal tax credits anticipated to be available to owners of all or a portion of the bonds. The estimated net average rate of interest, and any statutory or charter limit on interest rates that may then be in effect and that is subsequently amended, shall not be a limitation on the actual interest rate or rates on the securities when issued.

(C)(1) The taxing authority shall certify a copy of the legislation passed under division (B) of this section to the county auditor. The county auditor shall promptly calculate and advise and, not later than seventy-five days before the election, confirm that advice by certification to, the taxing authority the estimated average annual property tax levy, expressed in cents or dollars and cents for each one hundred dollars of tax valuation and in mills for each one dollar of tax valuation, that the county auditor estimates to be required throughout the stated maturity of the bonds to pay the debt charges on the bonds. In calculating the estimated average annual property tax levy for this purpose, the county auditor shall assume that the bonds are issued in one series bearing interest and maturing in substantially equal principal amounts in each year over the maximum number of years over which the principal of the bonds may be paid as stated in that legislation, and that the amount of the tax valuation of the subdivision for the current year remains the same throughout the maturity of the bonds, except as otherwise provided in division (C)(2) of this section. If the tax valuation for the current year is not determined, the county auditor shall base the calculation on the estimated amount of the tax valuation submitted by the county auditor to the county budget commission. If the subdivision is located in more than one county, the county auditor shall obtain the assistance of the county auditors of the other counties, and those county auditors shall provide assistance, in establishing the tax valuation of the subdivision for purposes of certifying the estimated average annual property tax levy.

(2) When considering the tangible personal property component of the tax valuation of the subdivision, the county auditor shall take into account the assessment percentages prescribed in section 5711.22 of the Revised Code. The tax commissioner may issue rules, orders, or instructions directing how the assessment percentages must be utilized.

(D) After receiving the county auditor's advice under division (C) of this section, the taxing authority by legislation may determine to proceed with submitting the question of the issue of securities, and shall, not later than the seventy-fifth day before the day of the election, file the following with the board

of elections:

(1) Copies of the legislation provided for in divisions (B) and (D) of this section;

(2) The amount of the estimated average annual property tax levy, expressed in cents or dollars and cents for each one hundred dollars of tax valuation and in mills for each one dollar of tax valuation, as estimated and certified to the taxing authority by the county auditor.

(E)(1) The board of elections shall prepare the ballots and make other necessary arrangements for the submission of the question to the electors of the subdivision. If the subdivision is located in more than one county, the board shall inform the boards of elections of the other counties of the filings with it, and those other boards shall if appropriate make the other necessary arrangements for the election in their counties. The election shall be conducted, canvassed, and certified in the manner provided in Title XXXV of the Revised Code.

(2) The election shall be held at the regular places for voting in the subdivision. If the electors of only a part of a precinct are qualified to vote at the election the board of elections may assign the electors in that part to an adjoining precinct, including an adjoining precinct in another county if the board of elections of the other county consents to and approves the assignment. Each elector so assigned shall be notified of that fact prior to the election by notice mailed by the board of elections, in such manner as it determines, prior to the election.

(3) The board of elections shall publish a notice of the election, in one or more newspapers of general circulation in the subdivision, at least once no later than ten days prior to the election. The notice shall state all of the following:

(a) The principal amount of the proposed bond issue;

(b) The stated purpose for which the bonds are to be issued;

(c) The maximum number of years over which the principal of the bonds may be paid;

(d) The estimated additional average annual property tax levy, expressed in cents or dollars and cents for each one hundred dollars of tax valuation and in mills for each one dollar of tax valuation, to be levied outside the tax limitation, as estimated and certified to the taxing authority by the county auditor;

(e) The first calendar year in which the tax is expected to be due.

(F)(1) The form of the ballot to be used at the election shall be substantially either of the following, as applicable:

(a) "Shall bonds be issued by the ..... (name of subdivision) for the purpose of ..... (purpose of the bond issue) in the principal amount of ..... (principal amount of the bond issue), to be repaid annually over a maximum period of ..... (the maximum number of years over which the principal of the

bonds may be paid) years, and an annual levy of property taxes be made outside the ..... (as applicable, "ten-mill" or "...charter tax") limitation, estimated by the county auditor to average over the repayment period of the bond issue ..... (number of mills) mills for each one dollar of tax valuation, which amounts to ..... (rate expressed in cents or dollars and cents, such as "36 cents" or "$1.41") for each one hundred dollars of tax valuation, commencing in ..... (first year the tax will be levied), first due in calendar year ..... (first calendar year in which the tax shall be due), to pay the annual debt charges on the bonds, and to pay debt charges on any notes issued in anticipation of those bonds?

	For the bond issue
	Against the bond issue

"

(b) In the case of an election held pursuant to legislation adopted under section 3375.43 or 3375.431 of the Revised Code:

"Shall bonds be issued for ..... (name of library) for the purpose of ..... (purpose of the bond issue), in the principal amount of ..... (amount of the bond issue) by ..... (the name of the subdivision that is to issue the bonds and levy the tax) as the issuer of the bonds, to be repaid annually over a maximum period of ..... (the maximum number of years over which the principal of the bonds may be paid) years, and an annual levy of property taxes be made outside the ten-mill limitation, estimated by the county auditor to average over the repayment period of the bond issue ..... (number of mills) mills for each one dollar of tax valuation, which amounts to ..... (rate expressed in cents or dollars and cents, such as "36 cents" or "$1.41") for each one hundred dollars of tax valuation, commencing in ..... (first year the tax will be levied), first due in calendar year ..... (first calendar year in which the tax shall be due), to pay the annual debt charges on the bonds, and to pay debt charges on any notes issued in anticipation of those bonds?

	For the bond issue
	Against the bond issue

"

(2) The purpose for which the bonds are to be issued shall be printed in the space indicated, in boldface type.

(G) The board of elections shall promptly certify the results of the election to the tax commissioner, the county auditor of each county in which any part of the subdivision is located, and the fiscal officer of the subdivision. The election, including the proceedings for and result of the election, is incontestable other than in a contest filed under section 3515.09 of the Revised Code in which the plaintiff prevails.

(H) If a majority of the electors voting upon the question vote for it, the

taxing authority of the subdivision may proceed under sections 133.21 to 133.33 of the Revised Code with the issuance of the securities and with the levy and collection of a property tax outside the tax limitation during the period the securities are outstanding sufficient in amount to pay the debt charges on the securities, including debt charges on any anticipatory securities required to be paid from that tax. If legislation passed under section 133.22 or 133.23 of the Revised Code authorizing those securities is filed with the county auditor on or before the last day of November, the amount of the voted property tax levy required to pay debt charges or estimated debt charges on the securities payable in the following year shall if requested by the taxing authority be included in the taxes levied for collection in the following year under section 319.30 of the Revised Code.

(I)(1) If, before any securities authorized at an election under this section are issued, the net indebtedness of the subdivision exceeds that applicable to that subdivision or those securities, then and so long as that is the case none of the securities may be issued.

(2) No securities authorized at an election under this section may be initially issued after the first day of the sixth January following the election, but this period of limitation shall not run for any time during which any part of the permanent improvement for which the securities have been authorized, or the issuing or validity of any part of the securities issued or to be issued, or the related proceedings, is involved or questioned before a court or a commission or other tribunal, administrative agency, or board.

(3) Securities representing a portion of the amount authorized at an election that are issued within the applicable limitation on net indebtedness are valid and in no manner affected by the fact that the balance of the securities authorized cannot be issued by reason of the net indebtedness limitation or lapse of time.

(4) Nothing in this division (I) shall be interpreted or applied to prevent the issuance of securities in an amount to fund or refund anticipatory securities lawfully issued.

(5) The limitations of divisions (I)(1) and (2) of this section do not apply to any securities authorized at an election under this section if at least ten per cent of the principal amount of the securities, including anticipatory securities, authorized has theretofore been issued, or if the securities are to be issued for the purpose of participating in any federally or state-assisted program.

(6) The certificate of the fiscal officer of the subdivision is conclusive proof of the facts referred to in this division."

In line 90806, after "133.06," insert "133.18,"

In line 16 of the title, after "133.06," insert "133.18,"

In line 304, after "133.20," insert "133.21,"

Between lines 13173 and 13174 insert:

"**Sec. 133.21.** (A) Except as provided in divisions (B) and (C) of this section, the principal amount of securities issued by any subdivision shall be payable in semiannual or annual installments, as serial securities or by mandatory sinking fund or mandatory sinking fund redemption requirements, in:

(1) Substantially equal principal installments; or

(2) In such principal installments that the total principal and interest payments on those securities in any fiscal year in which principal is payable is:

(a) Not more than three times the amount of those payments in any other fiscal year; or

(b) Substantially equal; or

(c) In the case of self-supporting securities, those payments on the securities and on other securities, except anticipatory securities, issued for the self-supporting purpose, substantially equal.

(B) Except for refunding securities issued pursuant to section 133.34 of the Revised Code, and except for securities issued to fund or refund anticipatory securities to the extent required to comply with division (C)(2) or (3) of section 133.22 of the Revised Code, the first principal payment of securities issued with semiannual payments shall not be later than the first day of the second February following the fifteenth day of July next following the passage of the legislation that authorized the issue of the securities and of securities issued with annual payments shall not be later than the first day of the third August next following the fifteenth day of July next following such passage.

(C) Divisions (A) and (B) of this section do not apply to any of the following:

(1) Anticipatory securities;

(2) Securities that are not general obligation securities;

(3) General obligation securities issued for the purpose of the acquisition of real property and the clearance and preparation thereof for redevelopment as an urban development project, which may mature or be payable in annual or semiannual installments and in such amounts as may be determined by the taxing authority of the municipal corporation issuing the securities, and which may have a first principal payment date set at any date not later than sixty months from the date the securities are issued.

(D) For purposes of this section, payments of principal, in the case of principal payable in accordance with mandatory sinking fund or mandatory sinking fund redemption requirements, means the sinking fund deposits on account of principal ; and, in the case of securities issued in multiple installments or series for the same purpose, the principal payment requirement of division (A) of this section may be met either with respect to each installment or series of the

securities or with respect to all installments or series on a consolidated basis."

In line 90806, after "133.20," insert "133.21,"

In line 16 of the title, after "133.20," insert "133.21,"

In line 304, after "133.20," insert "133.34,"

Between lines 13173 and 13174, insert:

"**Sec. 133.34.** (A) Upon the determination of the taxing authority that such ~~issuance~~ funding or refunding will be in the subdivision's best interest, the subdivision may:

(1) Issue general obligation securities to fund or refund any outstanding revenue or mortgage revenue, sales tax supported, or other special obligation securities previously issued by it for permanent improvements pursuant to authorization by law or the Ohio Constitution. Any general obligation bonds issued pursuant to this division (A)(1) shall be payable as to principal at such times and in such installments as determined by the taxing authority consistent with section 133.21 of the Revised Code, but their last maturity shall not be later than thirty years from the date of issuance of the original securities issued for the original purpose.

(2) Issue revenue or mortgage revenue securities, if authorized by other law or the Ohio Constitution to issue such securities for the original purpose, to fund or refund any outstanding general obligation or ~~sale~~ sales tax supported securities previously issued by it pursuant to authorization by law. The taxing authority shall establish the maturity date or dates, the interest payable, and other terms of such securities as it considers necessary or appropriate for their issuance.

(3) Issue general obligation securities to fund or refund outstanding general obligation bonds issued in one or more issues for any purpose or purposes. General obligation securities issued pursuant to this division (A)(3) shall be payable as to principal at such times and in such installments as determined by the taxing authority. Section 133.21 of the Revised Code is not applicable to these refunding securities, but the last maturity of these refunding securities shall not be later than the year of last maturity permitted by law for the general obligation bonds refunded. Tax levies for debt charges on the refunding general obligation securities shall be considered to have the same status with respect to the provisions of the applicable tax limitation as the levies for debt charges on, and the refunding general obligation securities shall be considered to have the same status with respect to net indebtedness limitations as, the general obligation bonds that are refunded.

(4) Issue sales tax supported securities to fund or refund any outstanding revenue or mortgage revenue or general obligation or other special obligation securities previously issued by it for permanent improvements pursuant to authorization by law or the Ohio Constitution. Any sales tax supported bonds issued pursuant to this division (A)(4) shall be payable as to principal at such

times and in such installments as determined by the taxing authority consistent with division (E) of section 133.081 of the Revised Code, but their last maturity shall be consistent with division (B) of section 133.081 of the Revised Code.

(5) Apply moneys from other sources to fund any outstanding securities or public obligations issued by the taxing authority pursuant to authorization by law or the Ohio Constitution, including the funding of any mandatory sinking fund redemption requirements.

(B) Securities issued pursuant to this section shall be considered to be issued for the same purpose or purposes as the securities that they are issued to fund or refund, and their proceeds shall be used as determined by the taxing authority consistent with their purpose. That use may include the payment of the outstanding principal amount of, any redemption premium on, and any interest to redemption or maturity on, the securities being funded or refunded, and any expenses relating to the funding or refunding or the issuance of the refunding bonds, including financing costs, all as determined by the taxing authority. Proceeds of securities issued pursuant to this section may also be used to provide additional money for the purpose or purposes for which the securities being funded or refunded, or which they funded or refunded, were issued, but section 133.21 of the Revised Code is applicable to any such portion of general obligation securities.

(C) Securities may be issued and other moneys may be applied pursuant to this section to fund or refund all or any portion of the outstanding securities, and whether or not the securities to be funded or refunded were issued subject to call or redemption prior to maturity or are the original securities or are themselves refunding securities.

(D) Moneys derived from the proceeds of securities issued pursuant to this section to fund or refund general obligation bonds, or moneys from other sources, and required for the purpose shall, under an escrow agreement or otherwise, to the extent required by the legislation be placed in an escrow fund, which may be in the bond retirement fund in the case of the funded or refunded bonds being payable within ninety days of issuance of the refunding securities, and other moneys applied pursuant to this section to fund general obligation bonds shall, under an escrow agreement or otherwise, to the extent required by the legislation, be placed in an escrow fund that may be in the sinking fund or bond retirement fund, and in either case are pledged for the purpose of funding or refunding the refunded general obligation bonds and shall be used, together with any other available funds as provided in this section, for that purpose. Pending that use, the moneys in escrow shall be invested in direct obligations of or obligations guaranteed as to payment by the United States that mature or are subject to redemption by and at the option of the holder not later than the date or dates when the moneys, together with interest or other investment income accrued on those moneys, will be required for that use. Any moneys in the escrow fund derived from the issuance of revenue or mortgage revenue or sales tax supported securities that will not be needed to pay debt charges on the

funded or refunded general obligation bonds may be used for and pledged to the payment of debt charges on the refunding securities and on any securities issued on a parity with the refunding securities. Any moneys in the escrow fund derived from the proceeds of refunding general obligation securities and that will not be needed to pay debt charges on the refunded general obligation bonds shall be transferred to the bond retirement fund. When the subdivision has placed in escrow moneys, derived from proceeds of refunding obligations or otherwise, or those direct or guaranteed obligations of the United States, or a combination of both, determined by an independent public accounting firm to be sufficient, with the interest or other investment income accruing on those direct or guaranteed obligations, for the payment of debt charges on the funded or refunded general obligation bonds, the funded or refunded general obligation bonds shall no longer be considered to be outstanding, shall not be considered for purposes of determining any limitation, direct or indirect, on the indebtedness or net indebtedness of the subdivision, and the levy of taxes or other charges for the payment of debt charges on the funded or refunded general obligation bonds under this chapter, Chapter 5705., or other provisions of the Revised Code, shall not be required. For purposes of this division, "direct obligations of or obligations guaranteed as to payment by the United States" includes rights to receive payment or portions of payments of the principal of or interest or other investment income on:

(1) Those obligations; and

(2) Other obligations fully secured as to payment by those obligations and the interest or other investment income on those obligations.

(E) The authority granted by this section is in addition to and not a limitation on any other authorizations granted by or pursuant to law or the Ohio Constitution for the same or similar purposes, and does not limit or restrict the authority of municipal corporations to issue, under authority of Article XVIII, Ohio Constitution, revenue or mortgage revenue securities to fund or refund either general obligation securities or other revenue or mortgage revenue securities."

In line 90806, after "133.20," insert "133.34,"

In line 16 of the title, after "133.20," insert "133.34,"

In line 396, delete "4928.64,"

In line 50183, delete " solid wastes, as"

In line 50184, delete " defined in section 3734.01 of the Revised Code,"

In line 50185, delete " such"; reinsert ", as defined in section 3734.01 of the Revised"

In line 50186, reinsert "Code,"

In line 72880, delete " solid wastes, as"

In line 72881, delete " defined in section 3734.01 of the Revised Code,"

In line 72882, delete " such"; reinsert ", as defined in section 3734.01 of the Revised"

In line 72883, reinsert "Code,"

Delete lines 72966 through 73195

In line 90898, delete "4928.64,"

In line 142 of the title, delete "4928.64,"

In line 360, after "3706.01," insert "3706.04,"

Between lines 50143 and 50144, insert:

"**Sec. 3706.04.** The Ohio air quality development authority may:

(A) Adopt bylaws for the regulation of its affairs and the conduct of its business;

(B) Adopt an official seal;

(C) Maintain a principal office and suboffices at such places within the state as it designates;

(D) Sue and plead in its own name; be sued and impleaded in its own name with respect to its contracts or torts of its members, employees, or agents acting within the scope of their employment, or to enforce its obligations and covenants made under sections 3706.05, 3706.07, and 3706.12 of the Revised Code. Any such actions against the authority shall be brought in the court of common pleas of the county in which the principal office of the authority is located, or in the court of common pleas of the county in which the cause of action arose, provided such county is located within this state, and all summonses, exceptions, and notices of every kind shall be served on the authority by leaving a copy thereof at the principal office with the person in charge thereof or with the secretary-treasurer of the authority.

(E) Make loans and grants to governmental agencies for the acquisition or construction of air quality projects by any such governmental agency and adopt rules and procedures for making such loans and grants;

(F) Acquire, construct, reconstruct, enlarge, improve, furnish, equip, maintain, repair, operate, lease or rent to, or contract for operation by, a person or governmental agency, air quality projects, and establish rules for the use of such projects;

(G) Make available the use or services of any air quality project to one or more persons, one or more governmental agencies, or any combination thereof;

(H) Issue air quality revenue bonds and notes and air quality revenue refunding bonds of the state, payable solely from revenues as provided in section 3706.05 of the Revised Code, unless the bonds be refunded by refunding bonds, for the purpose of paying any part of the cost of one or more air quality projects or parts thereof;

(I) Acquire by gift or purchase, hold, and dispose of real and personal property in the exercise of the powers of the authority and the performance of its duties under this chapter;

(J) Acquire, in the name of the state, by purchase or otherwise, on such terms and in such manner as the authority finds proper, or by the exercise of the right of condemnation in the manner provided by section 3706.17 of the Revised Code, such public or private lands, including public parks, playgrounds, or reservations, or parts thereof or rights therein, rights-of-way, property, rights, easements, and interests as it finds necessary for carrying out this chapter, but excluding the acquisition by the exercise of the right of condemnation of any air quality facility owned by any person or governmental agency; and compensation shall be paid for public or private lands so taken;

(K) Make and enter into all contracts and agreements and execute all instruments necessary or incidental to the performance of its duties and the execution of its powers under this chapter.

(1) When the cost under any such contract or agreement, other than compensation for personal services, involves an expenditure of more than two thousand dollars, the authority shall make a written contract with the lowest responsive and responsible bidder, in accordance with section 9.312 of the Revised Code, after advertisement for not less than two consecutive weeks in a newspaper of general circulation in Franklin county, and in such other publications as the authority determines, which notice shall state the general character of the work and the general character of the materials to be furnished, the place where plans and specifications therefor may be examined, and the time and place of receiving bids; provided, that a contract or lease for the operation of an air quality project constructed and owned by the authority or an agreement for cooperation in the acquisition or construction of an air quality project pursuant to section 3706.12 of the Revised Code or any contract for the construction of an air quality project that is to be leased by the authority to, and operated by, persons who are not governmental agencies and the cost of such project is to be amortized exclusively from rentals or other charges paid to the authority by persons who are not governmental agencies is not subject to the foregoing requirements and the authority may enter into such contract, lease, or agreement pursuant to negotiation and upon such terms and conditions and for such period as it finds to be reasonable and proper in the circumstances and in the best interests of proper operation or of efficient acquisition or construction of such project.

(2) Each bid for a contract for the construction, demolition, alteration, repair, or reconstruction of an improvement shall contain the full name of every person interested in it and meet the requirements of section 153.54 of the Revised Code.

(3) Each bid for a contract except as provided in division (K)(2) of this section shall contain the full name of every person interested in it and shall be accompanied by a sufficient bond or certified check on a solvent bank that if the

bid is accepted a contract will be entered into and the performance thereof secured.

(4) The authority may reject any and all bids.

(5) A bond with good and sufficient surety, approved by the authority, shall be required of every contractor awarded a contract except as provided in division (K)(2) of this section, in an amount equal to at least fifty per cent of the contract price, conditioned upon the faithful performance of the contract.

(L) Employ managers, superintendents, and other employees and retain or contract with consulting engineers, financial consultants, accounting experts, architects, attorneys, and such other consultants and independent contractors as are necessary in its judgment to carry out this chapter, and fix the compensation thereof. All expenses thereof shall be payable solely from the proceeds of air quality revenue bonds or notes issued under this chapter, from revenues, or from funds appropriated for such purpose by the general assembly.

(M) Receive and accept from any federal agency, subject to the approval of the governor, grants for or in aid of the construction of any air quality project or for research and development with respect to air quality facilities, and receive and accept aid or contributions from any source of money, property, labor, or other things of value, to be held, used, and applied only for the purposes for which such grants and contributions are made;

(N) Engage in research and development with respect to air quality facilities;

(O) Purchase fire and extended coverage and liability insurance for any air quality project and for the principal office and suboffices of the authority, insurance protecting the authority and its officers and employees against liability for damage to property or injury to or death of persons arising from its operations, and any other insurance the authority may agree to provide under any resolution authorizing its air quality revenue bonds or in any trust agreement securing the same;

(P) Charge, alter, and collect rentals and other charges for the use or services of any air quality project as provided in section 3706.13 of the Revised Code;

(Q) Provide coverage for its employees under Chapters 145., 4123., and 4141. of the Revised Code;

(R) In accordance with section 54D(e) of the Internal Revenue Code, 26 U.S.C. 54D(e), allocate the national qualified energy conservation bond limitation allocated to the state and reallocate any portion of an allocation waived by a county or municipality.

(S) Do all acts necessary or proper to carry out the powers expressly granted in this chapter.

Any instrument by which real property is acquired pursuant to this

section shall identify the agency of the state that has the use and benefit of the real property as specified in section 5301.012 of the Revised Code."

In line 90862, after "3706.01," insert "3706.04,"

In line 106542, after "3704.143," insert "3706.04,"

In line 92 of the title, after "3706.01," insert "3706.04,"

In line 320, after "955.201," insert "1321.20, 1321.51, 1321.52, 1321.53, 1321.54, 1321.55, 1321.551, 1321.57, 1321.59, 1321.60, 1321.99, 1322.01, 1322.02,"

In line 321, after "1322.041," insert "1322.05, 1322.051, 1322.052, 1322.06, 1322.061, 1322.062, 1322.063, 1322.064, 1322.07, 1322.071, 1322.072, 1322.074, 1322.075, 1322.08, 1322.081, 1322.09, 1322.10, 1322.11, 1322.99,"; after "1332.25," insert "1343.011, 1345.01, 1345.05, 1345.09,"; after "1349.22," insert "1349.31, 1349.43,"

In line 332, after "1721.211," insert "1733.26,"

In line 435, after "927.54," insert "1321.521, 1321.522, 1321.531, 1321.532, 1321.533, 1321.534, 1321.535, 1321.536, 1321.552, 1321.591, 1321.592, 1321.593, 1321.594, 1322.022, 1322.023, 1322.024, 1322.025, 1322.065,"; after "1545.073," insert "1733.252,"

In line 2478, after the comma insert " 1321.53, 1321.531,"

In line 2570, after "1315.141," insert " 1321.53, 1321.531,"

In line 2586, after " 1321.37," insert " 1321.53, 1321.531,"

In line 2614, after "1315.141," insert " 1321.53, 1321.531,"

In line 2631, after "1315.141," insert " 1321.53, 1321.531,"

In line 2655, after "1315.141," insert " 1321.53, 1321.531,"

Delete lines 21820 through 22319 and insert:

"**Sec. 1321.20.** (A) Every person licensed or registered under this chapter shall pay to the superintendent of financial institutions, prior to the last day of June, an annual license or certificate of registration fee. On or about the fifteenth day of April of each year, the superintendent shall determine the license or certificate fees to be charged, pursuant to sections 1321.03, 1321.05, ~~1321.53,~~ and 1321.73 of the Revised Code. Such determination shall be made by dividing the appropriation for the consumer finance section of the division of financial institutions for the current fiscal year by the number of licenses and certificates issued as of the date of the computation. In no event shall the amount of the fee exceed three hundred dollars, except that the maximum fee which may be charged insurance premium finance companies licensed under section 1321.73 of the Revised Code shall not exceed three hundred seventy-five dollars. Prior to the first day of June of each year, the superintendent shall inform each person licensed or registered under this chapter of the amount of the license or

certificate fee for the succeeding fiscal year as determined by this section.

(B)(1) Each person licensed under Chapter 4727. of the Revised Code who is subject to annual license renewal under division (E)(1) of section 4727.03 of the Revised Code shall, prior to the last day of June, pay to the superintendent a fee equal to twice the amount of the fee determined by the superintendent pursuant to division (A) of this section. However, in no event shall the amount of the fee exceed three hundred dollars.

(2) Each person licensed under Chapter 4727. of the Revised Code who is subject to biennial license renewal under division (E)(2) of section 4727.03 of the Revised Code shall, prior to the date the license expires, pay to the superintendent a fee equal to four times the amount of the fee determined by the superintendent pursuant to division (A) of this section. However, in no event shall the amount of the fee exceed six hundred dollars.

(C) The fee for a license or certificate issued pursuant to Chapter ~~1321.~~, 4727. ~~,~~ or 4728. of the Revised Code after the first day of January of the year the license or certificate expires shall be equal to one-half the amount determined according to divisions (A) and (B) of this section or in accordance with section 4728.03 of the Revised Code.

(D) If the renewal fees billed by the superintendent pursuant to divisions (A) and (B) of this section are less than the estimated expenditures of the consumer finance section of the division of financial institutions, as determined by the superintendent, for the following fiscal year, the superintendent may assess each person licensed pursuant to section 1321.04 ~~or registered pursuant to section 1321.53~~ of the Revised Code at a rate sufficient to equal in the aggregate the difference between the renewal fees billed and the estimated expenditures. Each person shall pay the assessed amount to the superintendent prior to the last day of June. In no case shall the assessment exceed ten cents per each one hundred dollars of interest (excluding charge-off recoveries), points, loan origination charges, and credit line charges collected by that person during the previous calendar year. If an assessment is imposed under this division, it shall not be less than two hundred fifty dollars per licensee or registrant and shall not exceed thirty thousand dollars less the total renewal fees paid pursuant to division (A) of this section by each licensee or registrant.

Sec. 1321.51. As used in sections 1321.51 to 1321.60 of the Revised Code:

(A) "Person" means an individual, partnership, association, trust, corporation, or any other legal entity.

(B) "Certificate" means a certificate of registration issued under sections 1321.51 to 1321.60 of the Revised Code.

(C) "Registrant" means a person to whom one or more certificates of registration have been issued under sections 1321.51 to 1321.60 of the Revised Code.

(D) "Principal amount" means the amount of cash paid to, or paid or payable for the account of, the borrower, and includes any charge, fee, or expense that is financed by the borrower at origination of the loan or during the term of the loan.

(E) "Interest" means all charges payable directly or indirectly by a borrower to a registrant as a condition to a loan or an application for a loan, however denominated, but does not include default charges, deferment charges, insurance charges or premiums, court costs, loan origination charges, check collection charges, credit line charges, points, prepayment penalties, or other fees and charges specifically authorized by law.

(F) "Interest-bearing loan" means a loan in which the debt is expressed as the principal amount and interest is computed, charged, and collected on unpaid principal balances outstanding from time to time.

(G) "Precomputed loan" means a loan in which the debt is a sum comprising the principal amount and the amount of interest computed in advance on the assumption that all scheduled payments will be made when due.

(H) "Actuarial method" means the method of allocating payments made on a loan between the principal amount and interest whereby a payment is applied first to the accumulated interest and the remainder to the unpaid principal amount.

(I) "Applicable charge" means the amount of interest attributable to each monthly installment period of the loan contract. The applicable charge is computed as if each installment period were one month and any charge for extending the first installment period beyond one month is ignored. In the case of loans originally scheduled to be repaid in sixty-one months or less, the applicable charge for any installment period is that proportion of the total interest contracted for, as the balance scheduled to be outstanding during that period bears to the sum of all of the periodic balances, all determined according to the payment schedule originally contracted for. In all other cases, the applicable charge for any installment period is that which would have been made for such period had the loan been made on an interest-bearing basis, based upon the assumption that all payments were made according to schedule.

(J) "Broker" means a person who acts as an intermediary or agent in finding, arranging, or negotiating loans, <u>other than residential mortgage loans,</u> and charges or receives a fee for these services.

(K) "Annual percentage rate" means the ratio of the interest on a loan to the unpaid principal balances on the loan for any period of time, expressed on an annual basis.

(L) "Point" means a charge equal to one per cent of either of the following:

(1) The principal amount of a precomputed loan or interest-bearing loan;

(2) The original credit line of an open-end loan.

(M) "Prepayment penalty" means a charge for prepayment of a loan at any time prior to five years from the date the loan contract is executed.

(N) "Refinancing" means a loan the proceeds of which are used in whole or in part to pay the unpaid balance of a prior loan made by the same registrant to the same borrower under sections 1321.51 to 1321.60 of the Revised Code.

(O) "Superintendent of financial institutions" includes the deputy superintendent for consumer finance as provided in section 1181.21 of the Revised Code.

(P)(1) "Mortgage loan originator" means an individual who for compensation or gain, or in anticipation of compensation or gain, does any of the following:

(a) Takes or offers to take a residential mortgage loan application;

(b) Assists or offers to assist a borrower in obtaining or applying to obtain a residential mortgage loan by, among other things, advising on loan terms, including rates, fees, and other costs;

(c) Offers or negotiates terms of a residential mortgage loan;

(d) Issues or offers to issue a commitment for a residential mortgage loan to a borrower.

(2) "Mortgage loan originator" does not include any of the following:

(a) An individual who performs purely administrative or clerical tasks on behalf of a mortgage loan originator;

(b) A person licensed pursuant to Chapter 4735. of the Revised Code, or under the similar law of another state, who performs only real estate brokerage activities permitted by that license, provided the person is not compensated by a mortgage lender, mortgage broker, mortgage loan originator, or by any agent thereof;

(c) A person solely involved in extensions of credit relating to timeshare plans, as that term is defined in 11 U.S.C. 101, in effect on January 1, 2009;

(d) A person acting solely as a loan processor or underwriter, who does not represent to the public, through advertising or other means of communicating, including the use of business cards, stationery, brochures, signs, rate lists, or other promotional items, that the person can or will perform any of the activities of a mortgage loan originator;

(e) A loan originator licensed under sections 1322.01 to 1322.12 of the Revised Code, when acting solely under that authority;

(f) A licensed attorney who negotiates the terms of a residential mortgage loan on behalf of a client as an ancillary matter to the attorney's representation of the client, unless the attorney is compensated by a lender, a mortgage broker, or

another mortgage loan originator, or by any agent thereof;

(g) Any person engaged in the retail sale of manufactured homes, mobile homes, or industrialized units if, in connection with financing those retail sales, the person only assists the borrower by providing or transmitting the loan application and does not do any of the following:

(i) Offer or negotiate the residential mortgage loan rates or terms;

(ii) Provide any counseling with borrowers about residential mortgage loan rates or terms;

(iii) Receive any payment or fee from any company or individual for assisting the borrower obtain or apply for financing to purchase the manufactured home, mobile home, or industrialized unit;

(iv) Assist the borrower in completing the residential mortgage loan application.

(3) An individual acting exclusively as a servicer engaging in loss mitigation efforts with respect to existing mortgage transactions shall not be considered a mortgage loan originator for purposes of sections 1321.51 to 1321.60 of the Revised Code until July 1, 2011, unless such delay is denied by the United States department of housing and urban development.

(Q) "Residential mortgage loan" means any loan primarily for personal, family, or household use that is secured by a mortgage, deed of trust, or other equivalent consensual security interest on a dwelling or on residential real estate upon which is constructed or intended to be constructed a dwelling. For purposes of this division, "dwelling" has the same meaning as in the "Truth in Lending Act," 82 Stat. 146, 15 U.S.C. 1602.

(R) "Nationwide mortgage licensing system and registry" means a mortgage licensing system developed and maintained by the conference of state bank supervisors and the American association of residential mortgage regulators, or their successor entities, for the licensing and registration of mortgage loan originators, or any system established by the secretary of housing and urban development pursuant to the "Secure and Fair Enforcement for Mortgage Licensing Act of 2008," 122 Stat. 2810, 12 U.S.C. 5101.

(S) "Registered mortgage loan originator" means an individual to whom both of the following apply:

(1) The individual is a mortgage loan originator and an employee of a depository institution, a subsidiary that is owned and controlled by a depository institution and regulated by a federal banking agency, or an institution regulated by the farm credit administration.

(2) The individual is registered with, and maintains a unique identifier through, the nationwide mortgage licensing system and registry.

(T) "Administrative or clerical tasks" means the receipt, collection, and

distribution of information common for the processing or underwriting of a loan in the mortgage industry, and communication with a consumer to obtain information necessary for the processing or underwriting of a residential mortgage loan.

(U) "Federal banking agency" means the board of governors of the federal reserve system, the comptroller of the currency, the director of the office of thrift supervision, the national credit union administration, and the federal deposit insurance corporation.

(V) "Loan processor or underwriter" means an individual who performs clerical or support duties at the direction of and subject to the supervision and instruction of a licensed mortgage loan originator or registered mortgage loan originator. For purposes of this division, "clerical or support duties" includes the following activities:

(1) The receipt, collection, distribution, and analysis of information common for the processing or underwriting of a residential mortgage loan;

(2) Communicating with a borrower to obtain the information necessary for the processing or underwriting of a loan, to the extent the communication does not include offering or negotiating loan rates or terms or counseling borrowers about residential mortgage loan rates or terms.

(W) "Real estate brokerage activity" means any activity that involves offering or providing real estate brokerage services to the public, including all of the following:

(1) Acting as a real estate agent or real estate broker for a buyer, seller, lessor, or lessee of real property;

(2) Bringing together parties interested in the sale, purchase, lease, rental, or exchange of real property;

(3) Negotiating, on behalf of any party, any portion of a contract relating to the sale, purchase, lease, rental, or exchange of real property, other than in connection with providing financing for any such transaction;

(4) Engaging in any activity for which a person engaged in that activity is required to be registered or licensed as a real estate agent or real estate broker under any applicable law;

(5) Offering to engage in any activity, or to act in any capacity, described in division (W) of this section.

(X) "Licensee" means any person that has been issued a mortgage loan originator license under sections 1321.51 to 1321.60 of the Revised Code.

(Y) "Unique identifier" means a number or other identifier that permanently identifies a mortgage loan originator and is assigned by protocols established by the nationwide mortgage licensing system and registry or federal banking agencies to facilitate electronic tracking of mortgage loan originators

and uniform identification of, and public access to, the employment history of and the publicly adjudicated disciplinary and enforcement actions against mortgage loan originators.

(Z) "State" in the context of referring to states in addition to Ohio means any state of the United States, the district of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the trust territory of the Pacific islands, the virgin islands, and the northern Mariana islands.

(AA) "Depository institution" has the same meaning as in section 3 of the "Federal Deposit Insurance Act," 64 Stat. 873, 12 U.S.C. 1813, and includes any credit union.

(BB) "Bona fide third party" means a person that is not an employee of, related to, or affiliated with, the registrant, and that is not used for the purpose of circumvention or evasion of sections 1321.51 to 1321.60 of the Revised Code.

(CC) "Nontraditional mortgage product" means any mortgage product other than a thirty-year fixed rate mortgage.

(DD) "Employee" means an individual for whom a registrant or applicant, in addition to providing a wage or salary, pays social security and unemployment taxes, provides workers' compensation coverage, and withholds local, state, and federal income taxes. "Employee" also includes any individual who acts as a mortgage loan originator or operations manager of the registrant, but for whom the registrant is prevented by law from making income tax withholdings.

(EE) "Primary point of contact" means the employee or owner designated by the registrant or applicant to be the individual who the division of financial institutions can contact regarding compliance or licensing matters relating to the registrant's or applicant's business or lending activities secured by an interest in real estate.

(FF) "Consumer reporting agency" has the same meaning as in the "Fair Credit Reporting Act," 84 Stat. 1128, 15 U.S.C. 1681a, as amended.

(GG) "Mortgage broker" has the same meaning as in section 1322.01 of the Revised Code.

Sec. 1321.52. (A)(1) No person, on that person's own behalf or on behalf of any other person, shall do ~~either~~ any of the following without having first obtained a certificate of registration from the division of financial institutions:

(a) Advertise, solicit, or hold out that the person is engaged in the business of making residential mortgage loans secured by a mortgage on a borrower's real estate which is other than a first lien on the real estate;

(b) Engage in the business of lending or collecting the person's own or another person's money, credit, or choses in action for ~~such~~ non-first lien residential mortgage loans ;

(c) Employ or compensate mortgage loan originators licensed or who should be licensed under sections 1321.51 to 1321.60 of the Revised Code to conduct the business of making residential mortgage loans;

(d) Make loans in this state of the type set forth in division (C) of this section that are unsecured or are secured by other than real property, which loans are for more than five thousand dollars at a rate of interest greater than permitted by section 1343.01 or other specific provisions of the Revised Code.

(2) Each person issued a certificate of registration or license is subject to all the rules prescribed under sections 1321.51 to 1321.60 of the Revised Code.

(B) (1) All loans made to persons who at the time are residents of this state are considered as made within this state and subject to the laws of this state, regardless of any statement in the contract or note to the contrary ,except as follows:

(a) If the loan is primarily secured by a lien on real property in another state and is arranged by a mortgage loan originator licensed by that state, the borrower may by choice of law designate that the transaction be governed by the law where the real property is located if the other state has consumer protection laws covering the borrower that are applicable to the transaction.

(b) If the loan is for the purpose of purchasing goods acquired by the borrower when the borrower is outside of this state, the loan may be governed by the laws of the other state.

(2) Nothing in division (B)(1) of this section prevents a choice of law or requires registration or licensure of persons outside of this state in a transaction involving the solicitation of residents of this state to obtain non-real estate secured loans that require the borrowers to physically visit a lender's out-of-state office to apply for and obtain the disbursement of loan funds.

(C) A registrant may make unsecured loans, loans secured by a mortgage on a borrower's real estate which is a first lien or other than a first lien on the real estate, loans secured by other than real estate, and loans secured by any combination of mortgages and security interests, on terms and conditions provided by sections 1321.51 to 1321.60 of the Revised Code.

(D)(1) If a lender that is subject to sections 1321.51 to 1321.60 of the Revised Code makes a loan in violation of division (A)(1) of this section, the lender has no right to collect, receive, or retain any interest or charges on that loan.

(2) If a registrant applies to the division for a renewal of the registrant's certificate after the date required by division ~~(A)(4)~~ (A)(7) of section 1321.53 of the Revised Code, but prior to the first day of ~~August~~ February of that year, and the division approves the application, division (D)(1) of this section does not apply with respect to any loan made by the registrant while the registrant's certificate was expired.

(3) If a person's registration under sections 1321.51 to 1321.60 of the Revised Code terminates due to nonrenewal or otherwise but the person continues to engage in the business of collecting or servicing non-first lien residential mortgage loans in violation of division (A)(1) of this section, the superintendent of financial institutions may take administrative action, including action on any subsequent application for a certificate of registration. In addition, no late fee, bad check charge except as incurred, charge related to default or cost to realize on its security interest, or prepayment penalty on non-first lien residential mortgage loans shall be collected or retained by a person who is in violation of division (A)(1)(b) of this section for the period of time in which the person was in violation. Nothing in division (D)(3) of this section prevents or otherwise precludes any other actions or penalties provided by law or modifies a defense of holder in due course that a subsequent purchaser servicing the residential mortgage loan may raise.

(E)(1) No individual shall engage in the business of a mortgage loan originator without first obtaining and maintaining annually a license pursuant to section 1321.532 of the Revised Code from the division of financial institutions. A mortgage loan originator shall be employed or associated with a registrant or entity exempt from registration under sections 1321.51 to 1321.60 of the Revised Code, but shall not be employed by or associated with more than one registrant or exempt entity at any one time.

(2) An individual acting under the individual's authority as a registered mortgage loan originator shall not be required to be licensed under division (E)(1) of this section.

(F)(1) Each licensee shall register with, and maintain a valid unique identifier issued by, the nationwide mortgage licensing system and registry.

(2) No person shall use a licensee's unique identifier for any purpose other than as set forth in the "Secure and Fair Enforcement for Mortgage Licensing Act of 2008," 122 Stat. 2810, 12 U.S.C. 5101.

(G)(1) If a person that is subject to sections 1321.51 to 1321.60 of the Revised Code makes a loan in violation of division (A)(1)(d) of this section and subsequently sells or assigns that loan, the person is liable to the borrower for any interest paid on that loan to the holder or assignee in excess of the rate that would be applicable in the absence of sections 1321.51 to 1321.60 of the Revised Code, in addition to any interest or charges paid on that loan to the unauthorized lender as provided by division (D)(1) of this section.

(2) If a person that is subject to sections 1321.51 to 1321.60 of the Revised Code makes a residential mortgage loan in violation of division (A)(1)(b) or (c) of this section and subsequently sells or assigns that loan, the lender is liable to the borrower for any interest paid on that loan to the holder or assignee in excess of the rate set forth in division (B)(4) of section 1343.01 of the Revised Code, in addition to any interest or charges paid on that loan to the unauthorized lender as provided by division (D)(1) of this section.

Sec. 1321.521. The superintendent of financial institutions may, by rule, expand the definition of mortgage loan originator in section 1321.51 of the Revised Code by adding individuals or may exempt additional individuals or persons from that definition, if the superintendent finds that the addition or exemption is consistent with the purposes fairly intended by the policy and provisions of sections 1321.51 to 1321.60 of the Revised Code and the "Secure and Fair Enforcement for Mortgage Licensing Act of 2008," 122 Stat. 2810, 12 U.S.C. 5101.

Rules authorized by this section shall be adopted in accordance with Chapter 119. of the Revised Code.

Sec. 1321.522. (A) A credit union service organization seeking exemption from registration pursuant to division (D)(6) of section 1321.53 of the Revised Code shall submit an application to the superintendent of financial institutions along with a nonrefundable fee of three hundred fifty dollars for each location of an office to be maintained by the organization. The application shall be in a form prescribed by the superintendent and shall include all of the following:

(1) The organization's business name and state of incorporation;

(2) The names of the owners, officers, or partners having control of the organization;

(3) An attestation to all of the following:

(a) That the organization and its owners, officers, or partners identified in division (A)(2) of this section have not had a mortgage lender certificate of registration or mortgage loan originator license, or any comparable authority, revoked in any governmental jurisdiction;

(b) That the organization and its owners, officers, or partners identified in division (A)(2) of this section have not been convicted of, or pleaded guilty to, any of the following in a domestic, foreign, or military court:

(i) During the seven-year period immediately preceding the date of application for exemption, any felony or a misdemeanor involving theft;

(ii) At any time prior to the date of application for exemption, a felony involving an act of fraud, dishonesty, a breach of trust, theft, or money laundering.

(c) That, with respect to financing residential mortgage loans, the organization conducts business with residents of this state or secures its loans with property located in this state.

(4) The names of all mortgage loan originators or licensees under the organization's control and direction;

(5) An acknowledgment of understanding that the organization is subject to the regulatory authority of the division of financial institutions;

(6) Any further information that the superintendent may require.

(B)(1) If the superintendent determines that the credit union service organization honestly made the attestation required under division (A)(3) of this section and otherwise qualifies for exemption, the superintendent shall issue a letter of exemption. Additional certified copies of a letter of exemption shall be provided upon request and the payment of seventy-five dollars per copy.

(2) If the superintendent determines that the organization does not qualify for exemption, the superintendent shall issue a notice of denial, and the organization may request a hearing in accordance with Chapter 119. of the Revised Code.

(C) All of the following conditions apply to any credit union service organization holding a valid letter of exemption:

(1) The organization shall be subject to examination in the same manner as a registrant with respect to the conduct of the organization's mortgage loan originators. In conducting any out-of-state examination, the organization shall be responsible for paying the costs of the division in the same manner as a registrant.

(2) The organization shall have an affirmative duty to supervise the conduct of its mortgage loan originators, and to cooperate with investigations by the division with respect to that conduct, in the same manner as is required of registrants.

(3) The organization shall keep and maintain records of all transactions relating to the conduct of its mortgage loan originators in the same manner as is required of registrants.

(4) The organization may provide the surety bond for its mortgage loan originators in the same manner as is permitted for registrants.

(D) A letter of exemption expires annually on the thirty-first day of December and may be renewed on or before that date by submitting an application that meets the requirements of division (A) of this section and a nonrefundable renewal fee of three hundred fifty dollars for each location of an office to be maintained by the credit union service organization.

(E) The superintendent may issue a notice to revoke or suspend a letter of exemption if the superintendent finds that the letter was obtained through a false or fraudulent representation of a material fact, or the omission of a material fact, required by law, or that a condition for exemption is no longer being met. Prior to issuing an order of revocation or suspension, the credit union service organization shall be given an opportunity for a hearing in accordance with Chapter 119. of the Revised Code.

(F) All information obtained by the division pursuant to an examination or investigation under this section shall be subject to the confidentiality requirements set forth in section 1321.55 of the Revised Code.

(G) All money collected under this section shall be deposited into the state treasury to the credit of the consumer finance fund created in section 1321.21 of the Revised Code.

Sec. 1321.53. (A)(1) An application for a certificate of registration under sections 1321.51 to 1321.60 of the Revised Code shall contain an undertaking by the applicant to abide by those sections. The application shall be in writing, under oath, and in the form prescribed by the division of financial institutions, ~~shall give the location where the business is to be conducted and the names and addresses of the partners, officers, or trustees of the applicant,~~ and shall contain any ~~further relevant~~ information that the division may require. Applicants that are foreign corporations shall obtain and maintain a license pursuant to Chapter 1703. of the Revised Code before a certificate is issued or renewed.

(2) Upon the filing of the application and the payment by the applicant of a nonrefundable two hundred ~~dollars as an~~ dollar investigation fee ~~and an~~ , a nonrefundable three hundred dollar annual registration fee ~~as determined by the superintendent of financial institutions pursuant to section 1321.20 of the Revised Code~~, and any additional fee required by the nationwide mortgage licensing system and registry, the division shall investigate the relevant facts. If the application involves investigation outside this state, the applicant may be required by the division to advance sufficient funds to pay any of the actual expenses of such investigation, when it appears that these expenses will exceed two hundred dollars. An itemized statement of any of these expenses which the applicant is required to pay shall be furnished to the applicant by the division. No certificate shall be issued unless all the required fees have been submitted to the division ~~, and no registration fee or investigation fee will be returned after a certificate has been issued~~.

(3) All applicants making loans secured by an interest in real estate shall designate an employee or owner of the applicant as the applicant's primary point of contact. While acting as the primary point of contact, the employee or owner shall not be employed by any other registrant or mortgage broker.

(4) The investigation undertaken upon application shall include both a civil and criminal records check of the applicant including any individual whose identity is required to be disclosed in the application. Where the applicant is a business entity the superintendent shall have the authority to require a civil and criminal background check of those persons that in the determination of the superintendent have the authority to direct and control the operations of the applicant.

(5)(a) Notwithstanding division (K) of section 121.08 of the Revised Code, the superintendent of financial institutions shall obtain a criminal history records check and, as part of that records check, request that criminal record information from the federal bureau of investigation be obtained. To fulfill this requirement, the superintendent shall do either of the following:

(i) Request the superintendent of the bureau of criminal identification and

investigation, or a vendor approved by the bureau, to conduct a criminal records check based on the applicant's fingerprints or, if the fingerprints are unreadable, based on the applicant's social security number, in accordance with division (A)(12) of section 109.572 of the Revised Code;

(ii) Authorize the nationwide mortgage licensing system and registry to request a criminal history background check as set forth in division (C) of section 1321.531 of the Revised Code.

(b) Any fee required under division (C)(3) of section 109.572 of the Revised Code or by the nationwide mortgage licensing system and registry shall be paid by the applicant.

(6) If an application for a certificate of registration does not contain all of the information required under division (A) ~~(1)~~ of this section, and if such information is not submitted to the division within ninety days after the ~~application is filed~~ superintendent requests the information in writing, the superintendent may consider the application withdrawn ~~and may retain the investigation fee~~.

~~(4)~~ (7) If the division finds that the financial responsibility, experience, character, and general fitness of the applicant ~~are such as to~~ command the confidence of the public and ~~to~~ warrant the belief that the business will be operated honestly and fairly in compliance with ~~and within~~ the purposes of sections 1321.51 to 1321.60 of the Revised Code and the rules adopted thereunder, and that the applicant has the requisite bond or applicable net worth and assets required by division (B) of this section, the division shall thereupon issue a certificate of registration to the applicant. The ~~certificate~~ superintendent shall not use a credit score as the sole basis for a registration denial.

(a)(i) Certificates of registration issued on or after July 1, 2010, shall annually expire on the ~~first~~ thirty-first day of ~~July next after its issue, and on the first day of July in each succeeding year~~ December, unless renewed by the filing of a renewal application and payment of ~~an~~ a three hundred dollar nonrefundable annual registration fee, ~~and~~ any assessment ~~,~~ as determined by the superintendent pursuant to division (A)(7)(a)(ii) of this section ~~1321.20 of the Revised Code~~ , and any additional fee required by the nationwide mortgage licensing system and registry, on or before the last day of ~~June~~ December of each year. No other fee or assessment shall be required of a registrant by the state or any political subdivision of ~~the~~ this state.

(ii) If the renewal fees billed by the superintendent pursuant to division (A)(7)(a)(i) of this section are less than the estimated expenditures of the consumer finance section of the division of financial institutions, as determined by the superintendent, for the following fiscal year, the superintendent may assess each registrant at a rate sufficient to equal in the aggregate the difference between the renewal fees billed and the estimated expenditures. Each registrant shall pay the assessed amount to the superintendent prior to the last day of June. In no case shall the assessment exceed ten cents per each one hundred dollars of

interest (excluding charge-off recoveries), points, loan origination charges, and credit line charges collected by that registrant during the previous calendar year. If such an assessment is imposed, it shall not be less than two hundred fifty dollars per registrant and shall not exceed thirty thousand dollars less the total renewal fees paid pursuant to division (A)(7)(a)(i) of this section by each registrant.

(b) Registrants shall timely file renewal applications on forms prescribed by the division and provide any further information that the division may require. If a renewal application does not contain all of the information required under this section, and if that information is not submitted to the division within ninety days after the superintendent requests the information in writing, the superintendent may consider the application withdrawn.

(c) Renewal shall not be granted if the applicant's certificate of registration is subject to an order of suspension, revocation, or an unpaid and past due fine imposed by the superintendent.

(d) If the division ~~does not so find~~ finds the applicant does not meet the conditions set forth in this section, it shall ~~enter an order denying~~ issue a notice of intent to deny the application, and forthwith notify the applicant of the denial, the grounds for the denial, and the applicant's reasonable opportunity to be heard on the action in accordance with Chapter 119. of the Revised Code. ~~In the event of denial, the division shall return the registration fee but retain the investigation fee.~~

~~(5)~~ (8) If there is a change of ~~ten~~ five per cent or more in the ownership of a registrant, the division may make any investigation necessary to determine whether any fact or condition exists that, if it had existed at the time of the original application for a certificate of registration, the fact or condition would have warranted the division to deny the application under division (A) ~~(4)~~ (7) of this section. If such a fact or condition is found, the division may, in accordance with Chapter 119. of the Revised Code, revoke the registrant's certificate.

(B) Each registrant that engages in lending under sections 1321.51 to 1321.60 of the Revised Code shall , if not bonded pursuant to section 1321.533 of the Revised Code, maintain both of the following:

(1) A net worth of at least fifty thousand dollars;

(2) For each certificate of registration, assets of at least fifty thousand dollars either in use or readily available for use in the conduct of the business.

(C) Not more than one place of business shall be maintained under the same certificate, but the division may issue additional certificates to the same registrant upon compliance with sections 1321.51 to 1321.60 of the Revised Code, governing the issuance of a single certificate. No change in the place of business of a registrant to a location outside the original municipal corporation shall be permitted under the same certificate without the approval of a new application, the payment of the registration fee ~~as determined by the~~

~~superintendent pursuant to section 1321.20 of the Revised Code~~ and, if required by the superintendent, the payment of an investigation fee of two hundred dollars. When a registrant wishes to change its place of business within the same municipal corporation, it shall give written notice of the change in advance to the division, which shall provide a certificate for the new address without cost. If a registrant changes its name, prior to making loans under the new name it shall give written notice of the change to the division, which shall provide a certificate in the new name without cost. Sections 1321.51 to 1321.60 of the Revised Code do not limit the loans of any registrant to residents of the community in which the registrant's place of business is situated. Each certificate shall be kept conspicuously posted in the place of business of the registrant and is not transferable or assignable.

(D) Sections 1321.51 to 1321.60 of the Revised Code do not apply to any of the following:

(1) ~~Persons~~ Entities chartered and lawfully doing business under the authority of any law of this state, another state, or the United States ~~relating to banks~~ as a bank, savings ~~banks~~ bank, trust ~~companies~~ company, savings and loan ~~associations~~ association, or credit ~~unions~~ union, or a subsidiary of any such entity, which subsidiary is regulated by a federal banking agency and is owned and controlled by such a depository institution;

(2) Life, property, or casualty insurance companies licensed to do business in this state;

(3) Any person that is a lender making a loan pursuant to sections 1321.01 to 1321.19 of the Revised Code or a business loan as described in division (B)(6) of section 1343.01 of the Revised Code;

(4) Any political subdivision, or any governmental ~~agency~~ or other public entity, corporation, instrumentality, or ~~any entity included under division (B)(3) of section 1343.01 of the Revised Code~~ agency, in or of the United States or any state of the United States, or any entity described in division (B)(3) of section 1343.01 of the Revised Code;

(5) A college or university, or controlled entity of a college or university, as those terms are defined in section 1713.05 of the Revised Code;

(6) A credit union service organization, provided the organization utilizes services provided by registered mortgage loan originators or the organization complies with section 1321.522 of the Revised Code and holds a valid letter of exemption issued by the superintendent.

(E) No person engaged in the business of selling tangible goods or services related to tangible goods may receive or retain a certificate under sections 1321.51 to 1321.60 of the Revised Code for such place of business.

Sec. 1321.531. (A) An application for a mortgage loan originator license shall be in writing, under oath, and in the form prescribed by the superintendent of financial institutions. The application shall be accompanied by a

nonrefundable application fee of one hundred fifty dollars and all other required fees, including any fees required by the nationwide mortgage licensing system and registry.

(B) The superintendent may establish relationships or enter into contracts with the nationwide mortgage licensing system and registry, or any entities designated by it, to collect and maintain records and process transaction fees or other fees related to mortgage loan originator licensees or other persons subject to or involved in their licensure.

(C) In connection with applying for a mortgage loan originator license, the applicant shall furnish to the nationwide mortgage licensing system and registry the following information concerning the applicant's identity:

(1) The applicant's fingerprints for submission to the federal bureau of investigation, and any other governmental agency or entity authorized to receive such information, for purposes of a state, national, and international criminal history background check;

(2) Personal history and experience in a form prescribed by the nationwide mortgage licensing system and registry, along with authorization for the superintendent and the nationwide mortgage licensing system and registry to obtain the following:

(a) An independent credit report from a consumer reporting agency;

(b) Information related to any administrative, civil, or criminal findings by any governmental jurisdiction.

(D) In order to effectuate the purposes of divisions (C)(1) and (C)(2)(b) of this section, the superintendent may use the conference of state bank supervisors, or a wholly owned subsidiary, as a channeling agent for requesting information from and distributing information to the United States department of justice or any other governmental agency. The superintendent may also use the nationwide mortgage licensing system and registry as a channeling agent for requesting information from and distributing information to any source related to matters subject to divisions (C)(2)(a) and (b) of this section.

(E) Upon the filing of the application, payment of the application fee, and payment of any additional fee, including any fee required by the nationwide mortgage licensing system and registry, the superintendent shall investigate the applicant as set forth in division (E) of this section.

(1)(a) Notwithstanding division (K) of section 121.08 of the Revised Code, the superintendent shall obtain a criminal history records check and, as part of that records check, request that criminal record information from the federal bureau of investigation be obtained. To fulfill this requirement, the superintendent shall do either of the following:

(i) Request the superintendent of the bureau of criminal identification and investigation, or a vendor approved by the bureau, to conduct a criminal records

check based on the applicant's fingerprints or, if the fingerprints are unreadable, based on the applicant's social security number in accordance with division (A)(12) of section 109.572 of the Revised Code;

(ii) Authorize the nationwide mortgage licensing system and registry to request a criminal history background check as set forth in division (C) of this section.

(b) Any fee required under division (C)(3) of section 109.572 of the Revised Code or by the nationwide mortgage licensing system and registry shall be paid by the applicant.

(2) The superintendent of financial institutions shall conduct a civil records check.

(3) If, in order to issue a license to an applicant, additional investigation by the superintendent outside this state is necessary, the superintendent may require the applicant to advance sufficient funds to pay the actual expenses of the investigation, if it appears that these expenses will exceed one hundred dollars. The superintendent shall provide the applicant with an itemized statement of the actual expenses that the applicant is required to pay.

(F) If an application for a mortgage loan originator license does not contain all of the information required under this section, and if that information is not submitted to the superintendent within ninety days after the superintendent requests the information in writing, the superintendent may consider the application withdrawn.

Sec. 1321.532. (A) Upon the conclusion of the investigation required under division (E) of section 1321.531 of the Revised Code, the superintendent of financial institutions shall issue a mortgage loan originator license to the applicant if the superintendent finds that all of the following conditions are met:

(1) The application is accompanied by the application fee and any additional fee required by the nationwide mortgage licensing system and registry.

If a check or other draft instrument is returned to the superintendent for insufficient funds, the superintendent shall notify the licensee by certified mail, return receipt requested, that the license issued in reliance on the check or other draft instrument will be canceled unless the licensee, within thirty days after receipt of the notice, submits the application fee and a one-hundred-dollar penalty to the superintendent. If the licensee does not submit the application fee and penalty within that time period, or if any check or other draft instrument used to pay the fee or penalty is returned to the superintendent for insufficient funds, the license shall be canceled immediately without a hearing, and the licensee shall cease activity as a mortgage loan originator.

(2) The applicant complies with sections 1321.51 to 1321.60 of the Revised Code.

(3) The applicant has not had a mortgage loan originator license, or comparable authority, revoked in any governmental jurisdiction.

(4) The applicant has not been convicted of, or pleaded guilty to, any of the following in a domestic, foreign, or military court:

(a) During the seven-year period immediately preceding the date of application for licensure, any felony or a misdemeanor involving theft;

(b) At any time prior to the date of application for licensure, a felony involving an act of fraud, dishonesty, a breach of trust, theft, or money laundering.

(5) Based on the totality of the circumstances and information submitted in the application, the applicant has proven to the division of financial institutions, by a preponderance of the evidence, that the applicant is of good business repute, appears qualified to act as a mortgage loan originator, and has fully complied with sections 1321.51 to 1321.60 of the Revised Code and rules adopted thereunder, and that the applicant meets all of the conditions for issuing a mortgage loan originator license.

(6) The applicant successfully completed the written test required under section 1321.535 of the Revised Code and the education requirements set forth in section 1321.534 of the Revised Code.

(7) The applicant is covered under a valid bond in compliance with section 1321.533 of the Revised Code.

(8) The applicant's financial responsibility, character, and general fitness command the confidence of the public and warrant the belief that the mortgage loan originator will operate honestly and fairly in compliance with the purposes of sections 1321.51 to 1321.60 of the Revised Code. The superintendent shall not use a credit score as the sole basis for a license denial.

(B) The license issued under division (A) of this section may be renewed annually on or before the thirty-first day of December if the superintendent finds that all of the following conditions are met:

(1) The renewal application is accompanied by a nonrefundable renewal fee of one hundred fifty dollars, and any additional fee required by the nationwide mortgage licensing system and registry. If a check or other draft instrument is returned to the superintendent for insufficient funds, the superintendent shall notify the licensee by certified mail, return receipt requested, that the license renewed in reliance on the check or other draft instrument will be canceled unless the licensee, within thirty days after receipt of the notice, submits the renewal fee and a one-hundred-dollar penalty to the superintendent. If the licensee does not submit the renewal fee and penalty within that time period, or if any check or other draft instrument used to pay the fee or penalty is returned to the superintendent for insufficient funds, the license shall be canceled immediately without a hearing, and the licensee shall cease activity as a mortgage loan originator.

(2) The applicant has completed at least eight hours of continuing education as required under section 1321.536 of the Revised Code.

(3) The applicant meets the conditions set forth in divisions (A)(2) to (8) of this section.

(4) The applicant's license is not subject to an order of suspension or an unpaid and past due fine imposed by the superintendent.

(C)(1) Subject to division (C)(2) of this section, if a license renewal application or fee, including any additional fee required by nationwide mortgage licensing system and registry, is received by the superintendent after the thirty-first day of December, the license shall not be considered renewed, and the applicant shall cease activity as a mortgage loan originator.

(2) Division (C)(1) of this section shall not apply if the applicant, no later than the thirty-first day of January, submits the renewal application and fee, including any additional fee required by nationwide mortgage licensing system and registry, and a one-hundred-dollar penalty to the superintendent.

(D) Mortgage loan originator licenses issued on or after July 1, 2010, shall annually expire on the thirty-first day of December.

(E) If a renewal application does not contain all of the information required under this section, and if that information is not submitted to the superintendent within ninety days after the superintendent requests the information in writing, the superintendent may consider the application withdrawn.

Sec. 1321.533. (A)(1) A registrant engaged in residential mortgage loan activity shall not conduct business in this state, unless the registrant maintains the net worth and assets required under division (B) of section 1321.53 of the Revised Code or has obtained and maintains in effect at all times a corporate surety bond issued by a bonding company or insurance company authorized to do business in this state.

(a) The bond shall be in favor of the superintendent of financial institutions.

(b) The bond shall be in the penal sum of one-half per cent of the aggregate loan amount of residential mortgage loans originated in the immediately preceding calendar year, but not exceeding one hundred fifty thousand dollars. Under no circumstances, however, shall the bond be less than fifty thousand dollars and an additional penal sum of ten thousand dollars for each location, in excess of one, at which the registrant conducts business.

(c) The term of the bond shall coincide with the term of registration.

(d) A copy of the bond shall be filed with the superintendent.

(e) The bond shall be for the exclusive benefit of any borrower injured by a violation by an employee, licensee, or registrant of any provision of sections

1321.51 to 1321.60 of the Revised Code or the rules adopted thereunder.

(f) The aggregate liability of the corporate surety for any and all breaches of the conditions of the bond shall not exceed the penal sum of the bond.

(2) An individual licensed as a mortgage loan originator and employed or associated with an exempt entity as set forth in division (D) of section 1321.53 of the Revised Code shall not conduct business in this state, unless either the licensee or the exempt entity on the licensee's behalf has obtained and maintains in effect at all times a corporate surety bond issued by a bonding company or insurance company authorized to do business in this state.

(a) The bond shall be in favor of the superintendent.

(b) The bond shall be in the penal sum of one-half per cent of the aggregate loan amount of residential mortgage loans originated in the immediately preceding calendar year, but not exceeding one hundred thousand dollars. Under no circumstances, however, shall the bond be less than fifty thousand dollars.

(c) The term of the bond shall coincide with the term of licensure.

(d) A copy of the bond shall be filed with the superintendent.

(e) The bond shall be for the exclusive benefit of any borrower injured by a violation by the licensee of any provision of sections 1321.51 to 1321.60 of the Revised Code or the rules adopted thereunder.

(f) The aggregate liability of the corporate surety for any and all breaches of the conditions of the bond shall not exceed the penal sum of the bond.

(g) Licensees covered by a corporate surety bond obtained by a registrant or exempt entity they are employed by or associated with shall not be required to obtain an individual bond.

(B)(1) The registrant or licensee shall give notice to the superintendent by certified mail of any action that is brought by a borrower against the licensee, registrant, or any mortgage loan originator of the registrant alleging injury by a violation of any provision of sections 1321.51 to 1321.60 of the Revised Code, and of any judgment that is entered against the licensee, registrant, or mortgage loan originator of the registrant by a borrower injured by a violation of any provision of sections 1321.51 to 1321.60 of the Revised Code. The notice shall provide details sufficient to identify the action or judgment, and shall be filed with the superintendent within ten days after the commencement of the action or notice to the registrant or licensee of entry of a judgment. An exempt entity securing bonding for the licensees in their employ shall report those actions by a borrower in the same manner as is required of registrants.

(2) A corporate surety, within ten days after it pays any claim or judgment, shall give notice to the superintendent by certified mail of the payment, with details sufficient to identify the person and the claim or judgment paid.

(C) Whenever the penal sum of the corporate surety bond is reduced by one or more recoveries or payments, the registrant or separately bonded licensee shall furnish a new or additional bond under this section, so that the total or aggregate penal sum of the bond or bonds equals the sum required by this section, or shall furnish an endorsement executed by the corporate surety reinstating the bond to the required penal sum of it.

(D) The liability of the corporate surety on the bond to the superintendent and to any borrower injured by a violation of any provision of sections 1321.51 to 1321.60 of the Revised Code shall not be affected in any way by any misrepresentation, breach of warranty, or failure to pay the premium, by any act or omission upon the part of the registrant or licensee, by the insolvency or bankruptcy of the registrant or licensee, or by the insolvency of the registrant's or licensee's estate. The liability for any act or omission that occurs during the term of the corporate surety bond shall be maintained and in effect for at least two years after the date on which the corporate surety bond is terminated or canceled.

(E) The corporate surety bond shall not be canceled by the registrant, the licensee, or the corporate surety except upon notice to the superintendent by certified mail, return receipt requested. The cancellation shall not be effective prior to thirty days after the superintendent receives the notice.

(F) No registrant or licensee shall fail to comply with this section. Any registrant or licensee that fails to comply with this section shall cease all mortgage lender or mortgage loan originator activity in this state until the registrant or licensee has complied with this section.

Sec. 1321.534. (A) Mortgage loan originator applicants shall submit evidence acceptable to the superintendent of financial institutions that, except as set forth in division (D) of this section, the applicant has successfully completed at least twenty hours of pre-licensing instruction in a course or program of study reviewed and approved by the nationwide mortgage licensing system and registry.

(B) A person having successfully completed the pre-licensing education requirements reviewed and approved by the nationwide mortgage licensing system and registry for any state within the previous five years shall be granted credit toward completion of the pre-licensing education requirements of this state.

(C) Review and approval of a pre-licensing education course shall include review and approval of the course provider.

(D) Notwithstanding division (A) of this section, if the nationwide mortgage licensing system and registry fails to have in place an approval program to ensure that all pre-licensing education courses meet the criteria set forth in division (A) of this section, the superintendent shall require, until that program is in place, evidence that the applicant has successfully completed twenty hours of instruction in a course or program of study approved by the superintendent that consists of at least all of the following:

(1) Four hours of instruction concerning state and federal mortgage lending laws, which shall include no less than two hours on this chapter;

(2) Four hours of instruction concerning the Ohio consumer sales practices act, Chapter 1345. of the Revised Code, as it applies to registrants and licensees;

(3) Four hours of instruction concerning the loan application and closing process;

(4) Two hours of instruction concerning the underwriting process;

(5) Two hours of instruction concerning the secondary market for mortgage loans;

(6) Two hours of instruction covering basic mortgage financing concepts and terms;

(7) Two hours of instruction concerning the ethical responsibilities of a licensee, including with respect to confidentiality, consumer counseling, and the duties and standards of care created in section 1321.593 of the Revised Code.

Sec. 1321.535. (A) Each applicant for a mortgage loan originator license shall submit to a written test that is developed and approved by the nationwide mortgage licensing system and registry and administered by a test provider approved by the nationwide mortgage licensing system and registry based upon reasonable standards.

(1) The test shall adequately measure the applicant's knowledge and comprehension in appropriate subject matters, including ethics and federal and state law related to mortgage origination, fraud, consumer protection, the nontraditional mortgage marketplace, and fair lending issues.

(2) An individual shall not be considered to have passed the test unless the individual achieves a test score of at least seventy-five per cent correct answers on all questions.

(3) An individual may retake the test three consecutive times provided the period between taking the tests is at least thirty days.

(4) After failing three consecutive tests, an individual shall be required to wait at least six months before taking the test again.

(5) If a mortgage loan originator fails to maintain a valid license for a period of five years or longer, the individual shall be required to retake the test. For this purpose, any time during which the individual is a registered mortgage loan originator shall not be taken into account.

(B) Notwithstanding division (A) of this section, if the nationwide mortgage licensing system and registry fails to have in place a testing process that meets the criteria set forth in that division, the superintendent shall require, until that process is in place, evidence that the mortgage loan originator applicant passed a written test acceptable to the superintendent.

Sec. 1321.536. (A) Each mortgage loan originator licensee shall complete at least eight hours of continuing education every calendar year. To fulfill this requirement, the eight hours of continuing education must be offered in a course or program of study that includes all of the following:

(1) Three hours of applicable federal law and regulations;

(2) Two hours of ethics, which shall include instruction on fraud, consumer protection, and fair lending issues;

(3) Two hours of training related to lending standards for the nontraditional mortgage product marketplace.

(B) Continuing education courses shall be reviewed and approved by the nationwide mortgage licensing system and registry based upon reasonable standards.

(C) The following conditions shall apply to the continuing education required by this section:

(1) An individual cannot take the same approved course in the same or successive years to meet the annual requirement for continuing education.

(2) An individual can only receive credit for a continuing education course in the year in which the course is taken, unless the individual is making up a deficiency in continuing education as permitted by rule or order of the superintendent of financial institutions.

(3) An individual who subsequently becomes unlicensed must complete the continuing education requirement for the last year in which the license was held prior to the issuance of a new or renewed license.

(4) A licensee who is approved as an instructor of an approved continuing education course may receive credit for the licensee's own annual continuing education requirement at the rate of two credit hours for every one hour taught.

(5) A person having successfully completed a continuing education course approved by the nationwide mortgage licensing system and registry for any state shall receive credit toward completion of the continuing education requirement of this state.

(D) Notwithstanding division (B) of this section, until the nationwide mortgage licensing system and registry implements a review and approval process, the superintendent shall require evidence that the licensee has successfully completed at least eight hours of continuing education in a course or program of study approved by the superintendent.

Sec. 1321.54. (A) The division of financial institutions may adopt, in accordance with Chapter 119. of the Revised Code, rules that are necessary for the enforcement or administration of sections 1321.51 to 1321.60 of the Revised Code and that are consistent with those sections ~~. Each rule shall contain a~~

~~reference to the section, division, or paragraph of the Revised Code to which it applies. The division shall send by regular mail to each registrant a copy of each rule that is adopted pursuant to this section~~ and rules to carry out the purposes of those sections.

(B) (1) The division ~~shall~~ may, upon written notice to the registrant or licensee stating the contemplated action, the grounds for the action, and the registrant's or licensee's reasonable opportunity to be heard on the action in accordance with Chapter 119. of the Revised Code, revoke, suspend, or refuse to renew any certificate or license issued under sections 1321.51 to 1321.60 of the Revised Code ~~, or impose a monetary fine,~~ if it finds ~~that the registrant has continued to violate those sections, after receiving notice of the violation or violations from the division, or is in default in the payment of the annual assessment or certificate of registration fee prescribed in section 1321.20 of the Revised Code. The~~ any of the following:

(a) A violation of or failure to comply with any provision of sections 1321.51 to 1321.60 of the Revised Code or the rules adopted thereunder, any federal lending law, or any other law applicable to the business conducted under a certificate of registration or license;

(b) The person has been convicted of or pleaded guilty to any criminal felony offense in a domestic, foreign, or military court;

(c) The person has been convicted of or pleaded guilty to any criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering, breach of trust, dishonesty, or drug trafficking, or any criminal offense involving money or securities, in a domestic, foreign, or military court;

(d) The person's mortgage lender certificate of registration or mortgage loan originator license, or comparable authority, has been revoked in any governmental jurisdiction.

(2) In addition to, or in lieu of, any revocation, suspension, or denial, the division may impose a monetary fine after administrative hearing or in settlement of matters subject to claims under division (B)(1)(a) of this section.

(3) Subject to division (D)(3) of section 1321.52 of the Revised Code, the revocation, suspension, or refusal to renew shall not impair the obligation of any pre-existing lawful contract made under sections 1321.51 to 1321.60 of the Revised Code ; provided, however, that a prior registrant shall make good faith efforts to promptly transfer the registrant's collection rights to another registrant or person exempt from registration, or be subject to additional monetary fines and legal or administrative action by the division. Nothing in division (B)(3) of this section shall limit a court's ability to impose a cease and desist order preventing any further business or servicing activity.

(C)(1) The superintendent of financial institutions may impose a fine for a violation of sections 1321.51 to 1321.60 of the Revised Code or any rule adopted thereunder. All fines collected pursuant to this section shall be paid to

the treasurer of state to the credit of the consumer finance fund created in section 1321.21 of the Revised Code. In determining the amount of a fine to be imposed pursuant to this section, the superintendent may consider all of the following to the extent it is known to the division of financial institutions:

(a) The seriousness of the violation;

(b) The registrant's or licensee's good faith efforts to prevent the violation;

(c) The registrant's or licensee's history regarding violations and compliance with division orders;

(d) The registrant's or licensee's financial resources;

(e) Any other matters the superintendent considers appropriate in enforcing sections 1321.51 to 1321.60 of the Revised Code.

(2) Monetary fines imposed under this division shall not exceed twenty-five thousand dollars and do not preclude any criminal fine imposed pursuant to section 1321.99 of the Revised Code.

~~(C)~~ (D) The superintendent ~~of financial institutions~~ may investigate alleged violations of sections 1321.51 to 1321.60 of the Revised Code, or the rules adopted thereunder, or complaints concerning any such violation. The superintendent may make application to the court of common pleas for an order enjoining any ~~such~~ violation and, upon a showing by the superintendent that a person has committed, or is about to commit, ~~such~~ a violation, the court shall grant an injunction, restraining order, or other appropriate relief. The superintendent, in making application to the court of common pleas for an order enjoining a person from acting as a registrant or mortgage loan originator in violation of division (A) or (E) of section 1321.52 of the Revised Code, may also seek and obtain civil penalties for that unregistered or unlicensed conduct in an amount not to exceed five thousand dollars per violation.

~~(D)~~ (E) In conducting an investigation pursuant to this section, the superintendent may compel, by subpoena, witnesses to testify in relation to any matter over which the superintendent has jurisdiction, and may require the production or photocopying of any book, record, or other document pertaining to such matter. If a person fails to file any statement or report, obey any subpoena, give testimony, produce any book, record, or other document as required by such a subpoena, or permit photocopying of any book, record, or other document subpoenaed, the court of common pleas of any county in this state, upon application made to it by the superintendent, shall compel obedience by attachment proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued from the court, or a refusal to testify therein.

~~(E)~~ (F) If the superintendent determines that a person is engaged in, or is believed to be engaged in, activities that may constitute a violation of sections 1321.51 to 1321.60 of the Revised Code or the rules adopted thereunder, the superintendent may, after notice and a hearing conducted in accordance with

Chapter 119. of the Revised Code, issue a cease and desist order. The superintendent, in taking administrative action to enjoin a person from acting as a registrant or mortgage loan originator in violation of division (A) or (E) of section 1321.52 of the Revised Code, may also seek and impose fines for those violations in an amount not to exceed five thousand dollars per violation. Such an order shall be enforceable in the court of common pleas.

(G) The superintendent shall regularly report violations of sections 1321.51 to 1321.60 of the Revised Code, as well as enforcement actions and other relevant information, to the nationwide mortgage licensing system and registry pursuant to division (E) of section 1321.55 of the Revised Code.

(H)(1) To protect the public interest, the superintendent may, without a prior hearing, do any of the following:

(a) Suspend the certificate of registration or license of a person who is convicted of or pleads guilty to a criminal violation of sections 1321.51 to 1321.60 of the Revised Code or any criminal offense described in division (B)(1)(b) or (c) of this section;

(b) Suspend the certificate of registration or license of a person who violates division (F) of section 1321.533 of the Revised Code;

(c) Suspend the certificate of registration or license of a person who fails to comply with a request made by the superintendent under this section or section 1321.55 of the Revised Code to inspect qualifying education transcripts located at the registrant's or licensee's place of business.

(2) The superintendent may, in accordance with Chapter 119. of the Revised Code, subsequently revoke any registration or license suspended under division (H)(1) of this section.

(3) The superintendent shall, in accordance with Chapter 119. of the Revised Code, adopt rules establishing the maximum amount of time a suspension under division (H)(1) of this section may continue before a hearing is conducted.

Sec. 1321.55. (A) Every registrant shall keep records pertaining to loans made under sections 1321.51 to 1321.60 of the Revised Code. Such records shall be segregated from records pertaining to transactions that are not subject to these sections of the Revised Code. Every registrant shall preserve records pertaining to loans made under sections 1321.51 to 1321.60 of the Revised Code for at least two years after making the final entry on such records. Accounting systems maintained in whole or in part by mechanical or electronic data processing methods that provide information equivalent to that otherwise required are acceptable for this purpose. At least once each eighteen-month cycle, the division of financial institutions shall make or cause to be made an examination of records pertaining to loans made under sections 1321.51 to 1321.60 of the Revised Code, for the purpose of determining whether the registrant is complying with these sections and of verifying the registrant's annual report.

(B)(1) As required by the superintendent of financial institutions, each registrant shall file with the division each year a report under oath or affirmation, on forms supplied by the division, concerning the business and operations for the preceding calendar year. Whenever a registrant operates two or more registered offices or whenever two or more affiliated registrants operate registered offices, then a composite report of the group of registered offices may be filed in lieu of individual reports.

(2) The division shall publish annually an analysis of the information required under division (B)(1) of this section, but the individual reports shall not be public records and shall not be open to public inspection.

(3) Each licensee shall submit to the nationwide mortgage licensing system and registry call reports or other reports of condition, which shall be in such form and shall contain such information as the nationwide mortgage licensing system and registry may require.

(C) ~~All information obtained by the superintendent or the superintendent's deputies, examiners, assistants, agents, or clerks by reason of their official position, including information obtained by such persons from the annual report of a registrant or in the course of examining a registrant or investigating an applicant for a certificate, is privileged and confidential. All such information shall remain privileged and confidential for all purposes except when it is necessary for the superintendent and the superintendent's deputies, examiners, assistants, agents, or clerks to take official action regarding the affairs of the registrant or in connection with criminal proceedings. Such information may also be introduced into evidence or disclosed when and in the manner authorized in section 1181.25 of the Revised Code.~~

~~(D) No person is in violation of sections 1321.51 to 1321.60 of the Revised Code for any act taken or omission made in reliance on a written notice, interpretation, or examination report from the superintendent.~~

~~(E) This section does not prevent the division from releasing to or exchanging with other financial institution regulatory authorities information relating to registrants.~~

~~(F) For purposes of this section, "financial institution regulatory authority" includes a regulator of a business activity in which a registrant is engaged, or has applied to engage in, to the extent that the regulator has jurisdiction over a registrant engaged in that business activity. A registrant is engaged in a business activity, and a regulator of that business activity has jurisdiction over the registrant, whether the registrant conducts the activity directly or a subsidiary or affiliate of the registrant conducts the activity~~ (1) The following information is confidential:

(a) Examination information, and any information leading to or arising from an examination;

(b) Investigation information, and any information arising from or

leading to an investigation.

(2) The information described in division (C)(1) of this section shall remain confidential for all purposes except when it is necessary for the superintendent to take official action regarding the affairs of a registrant or licensee, or in connection with criminal or civil proceedings to be initiated by a prosecuting attorney or the attorney general. This information may also be introduced into evidence or disclosed when and in the manner authorized by section 1181.25 of the Revised Code.

(D) All application information, except social security numbers, employer identification numbers, financial account numbers, the identity of the institution where financial accounts are maintained, personal financial information, fingerprint cards and the information contained on such cards, and criminal background information, is a public record as defined in section 149.43 of the Revised Code.

(E) This section does not prevent the division of financial institutions from releasing to or exchanging with other financial institution regulatory authorities information relating to registrants and licensees. For this purpose, a "financial institution regulatory authority" includes a regulator of a business activity in which a registrant or licensee is engaged, or has applied to engage in, to the extent that the regulator has jurisdiction over a registrant or licensee engaged in that business activity. A registrant or licensee is engaged in a business activity, and a regulator of that business activity has jurisdiction over the registrant or licensee, whether the registrant or licensee conducts the activity directly or a subsidiary or affiliate of the registrant or licensee conducts the activity.

(1) Any confidentiality or privilege arising under federal or state law with respect to any information or material provided to the nationwide mortgage licensing system and registry shall continue to apply to the information or material after the information or material has been provided to the nationwide mortgage licensing system and registry. The information and material so provided may be shared with all state and federal regulatory officials with mortgage industry oversight authority without the loss of confidentiality or privilege protections provided by federal law or the law of any state. Information or material described in division (E)(1) of this section to which confidentiality or privilege applies shall not be subject to any of the following:

(a) Disclosure under any federal or state law governing disclosure to the public of information held by an officer or an agency of the federal government or of the respective state;

(b) Subpoena or discovery, or admission into evidence, in any private civil action or administrative process, unless the person to whom such information or material pertains waives, in whole or in part and at the discretion of the person, any privilege held by the nationwide mortgage licensing system and registry with respect to that information or material.

(2) The superintendent, in order to promote more effective regulation and reduce regulatory burden through supervisory information sharing, may enter into sharing arrangements with other governmental agencies, the conference of state bank supervisors, and the American association of residential mortgage regulators.

(3) Any state law, including section 149.43 of the Revised Code, relating to the disclosure of confidential supervisory information or any information or material described in division (C)(1) or (E)(1) of this section that is inconsistent with this section shall be superseded by the requirements of this section.

(F) This section shall not apply with respect to information or material relating to the employment history of, and publicly adjudicated disciplinary and enforcement actions against, mortgage loan originators that is included in the nationwide mortgage licensing system and registry for access by the public.

(G) This section does not prevent the division from releasing information relating to registrants and licensees to the attorney general, to the superintendent of real estate and professional licensing for purposes relating to the administration of Chapters 4735. and 4763. of the Revised Code, to the superintendent of insurance for purposes relating to the administration of Chapter 3953. of the Revised Code, to the commissioner of securities for purposes relating to the administration of Chapter 1707. of the Revised Code, or to local law enforcement agencies and local prosecutors. Information the division releases pursuant to this section remains confidential.

(H) The superintendent of financial institutions shall, by rule adopted in accordance with Chapter 119. of the Revised Code, establish a process by which mortgage loan originators may challenge information provided to the nationwide mortgage licensing system and registry by the superintendent.

(I) No person, in connection with any examination or investigation conducted by the superintendent under sections 1321.51 to 1321.60 of the Revised Code, shall knowingly do any of the following:

(1) Circumvent, interfere with, obstruct, or fail to cooperate, including making a false or misleading statement, failing to produce records, or intimidating or suborning any witness;

(2) Withhold, abstract, remove, mutilate, destroy, or secrete any books, records, computer records, or other information;

(3) Tamper with, alter, or manufacture any evidence.

Sec. 1321.551. (A) No registrant shall conduct the business of making loans under sections 1321.51 to 1321.60 of the Revised Code in any office, room, or place of business in which any other business is solicited or engaged in, or in association or conjunction with any other such business, if the superintendent of financial institutions finds, pursuant to a hearing conducted in accordance with Chapter 119. of the Revised Code, that the other business is of such a nature that the conduct tends to conceal evasion of sections 1321.51 to

1321.60 of the Revised Code or of the rules adopted under those sections, and orders the registrant in writing to desist from the conduct.

(B) The business of a mortgage loan originator shall principally be transacted at an office of the registrant with whom the licensee is employed or associated, which office is registered, if applicable, in accordance with division (A)(1) of section 1321.52 of the Revised Code. Each original mortgage loan originator license shall be deposited with and maintained at the registrant's main office. A copy of the mortgage loan originator license shall be maintained and displayed at the office where the mortgage loan originator principally transacts business.

(C) If a mortgage loan originator's employment or association is terminated for any reason, the registrant shall return the original mortgage loan originator license to the superintendent within five business days after the termination. The licensee may request the transfer of the license to another registrant by submitting a transfer application, along with a fifteen dollar fee and any fee required by the national mortgage licensing system and registry, to the superintendent, or may request in writing that the superintendent hold the license in escrow. A licensee whose license is held in escrow shall cease activity as a mortgage loan originator. A licensee whose license is held in escrow shall be required to apply for renewal annually and to comply with the annual continuing education requirement.

(D) A registrant may employ or be associated with a mortgage loan originator on a temporary basis pending the transfer of the mortgage loan originator's license to the registrant, if the registrant receives written confirmation from the superintendent that the mortgage loan originator is licensed under sections 1321.51 to 1321.60 of the Revised Code.

(E) Notwithstanding divisions (B), (C), and (D) of this section, if a mortgage loan originator is employed by or associated with a person claiming an exemption under division (D) of section 1321.53 of the Revised Code, the mortgage loan originator shall maintain and display the original mortgage loan originator license at the office where the mortgage loan originator principally transacts business.

If the mortgage loan originator's employment or association is terminated for any reason, the licensee shall return the original mortgage loan originator license to the superintendent within five business days after the termination. The licensee may request the transfer of the license to a mortgage broker or other person claiming an exemption under division (D) of section 1321.53 of the Revised Code by submitting a transfer application, along with a fifteen dollar fee and any fee required by the national mortgage licensing system and registry, to the superintendent, or may request the superintendent in writing to hold the license in escrow. A licensee whose license is held in escrow shall cease activity as a mortgage loan originator. A licensee whose license is held in escrow shall be required to apply for renewal annually and to comply with the annual continuing education requirement.

The licensee may seek to be employed or associated with a mortgage broker or other person claiming an exemption under division (D) of section 1321.53 of the Revised Code if the mortgage broker or person receives written confirmation from the superintendent that the mortgage loan originator is licensed under sections 1321.51 to 1321.60 of the Revised Code.

(F) No registrant, through its managers or otherwise, shall fail to do either of the following:

(1) Reasonably supervise mortgage loan originators or other persons employed by or associated with the registrant;

(2) Establish reasonable procedures designed to avoid violations of sections 1321.51 to 1321.60 of the Revised Code or rules adopted thereunder, or violations of applicable state and federal consumer and lending laws or rules, by mortgage loan originators or other persons employed by or associated with the registrant.

(G) A license, or the authority granted under that license, is not assignable and cannot be franchised by contract or any other means.

Sec. 1321.552. (A) Notwithstanding any provision of sections 1321.51 to 1321.60 of the Revised Code, or any rule adopted thereunder, if the "Secure and Fair Enforcement for Mortgage Licensing Act of 2008," 122 Stat. 2810, 12 U.S.C. 5101, as amended, is modified after the effective date of this section, or any regulation, statement, or position is adopted under that act, and the item modified or adopted affects any matter within the scope of sections 1321.51 to 1321.60 of the Revised Code, the superintendent of financial institutions may by rule adopt a similar provision.

(B) The superintendent shall adopt the rules authorized by this section in accordance with section 111.15 of the Revised Code. Chapter 119. of the Revised Code does not apply to rules adopted under the authority of this section.

(C) A rule adopted by the superintendent under the authority of this section is effective on the later of the following dates:

(1) The date the superintendent issues the rule;

(2) The date the regulation, rule, interpretation, procedure, or guideline the superintendent's rule is based on becomes effective.

(D) The superintendent may, upon thirty days' written notice, revoke any rule adopted under the authority of this section. A rule adopted under the authority of this section, and not revoked by the superintendent, lapses and has no further force and effect eighteen months after the rule's effective date.

Sec. 1321.57. (A) Notwithstanding any other provisions of the Revised Code, a registrant may contract for and receive interest, calculated according to the actuarial method, at a rate or rates not exceeding twenty-one per cent per year on the unpaid principal balances of the loan. Loans may be interest-bearing or precomputed.

(B) For purposes of computation of time on interest-bearing and precomputed loans, including, but not limited to, the calculation of interest, a month is considered one-twelfth of a year, and a day is considered one three hundred sixty-fifth of a year when calculation is made for a fraction of a month. A year is as defined in section 1.44 of the Revised Code. A month is that period described in section 1.45 of the Revised Code. Alternatively, a registrant may consider a day as one three hundred sixtieth of a year and each month as having thirty days.

(C) With respect to interest-bearing loans:

(1)(a) Interest shall be computed on unpaid principal balances outstanding from time to time, for the time outstanding.

(b) As an alternative to the method of computing interest set forth in division (C)(1)(a) of this section, a registrant may charge and collect interest for the first installment period based on elapsed time from the date of the loan to the first scheduled payment due date, and for each succeeding installment period from the scheduled payment due date to the next scheduled payment due date, regardless of the date or dates the payments are actually made.

(c) Whether a registrant computes interest pursuant to division (C)(1)(a) or (b) of this section, each payment shall be applied first to unpaid charges, then to interest, and the remainder to the unpaid principal balance. However, if the amount of the payment is insufficient to pay the accumulated interest, the unpaid interest continues to accumulate to be paid from the proceeds of subsequent payments and is not added to the principal balance.

(2) Interest shall not be compounded, collected, or paid in advance. However, both of the following apply:

(a) Interest may be charged to extend the first monthly installment period by not more than fifteen days, and the interest charged for the extension may be added to the principal amount of the loan.

(b) If part or all of the consideration for a new loan contract is the unpaid principal balance of a prior loan, the principal amount payable under the new loan contract may include any unpaid interest that has accrued. The resulting loan contract shall be deemed a new and separate loan transaction for purposes of this section. The unpaid principal balance of a precomputed loan is the balance due after refund or credit of unearned interest as provided in division (D)(3) of this section.

(D) With respect to precomputed loans:

(1) Loans shall be repayable in monthly installments of principal and interest combined, except that the first installment period may exceed one month by not more than fifteen days, and the first installment payment amount may be larger than the remaining payments by the amount of interest charged for the extra days; and provided further that monthly installment payment dates may be omitted to accommodate borrowers with seasonal income.

(2) Payments may be applied to the combined total of principal and precomputed interest until maturity of the loan. A registrant may charge interest after the original or deferred maturity of a precomputed loan at the rate specified in division (A) of this section on all unpaid principal balances for the time outstanding.

(3) When any loan contract is paid in full by cash, renewal, refinancing, or a new loan, one month or more before the final installment due date, the registrant shall refund, or credit the borrower with, the total of the applicable charges for all fully unexpired installment periods, as originally scheduled or as deferred, that follow the day of prepayment. If the prepayment is made other than on a scheduled installment due date, the nearest scheduled installment due date shall be used in such computation. If the prepayment occurs prior to the first installment due date, the registrant may retain one-thirtieth of the applicable charge for a first installment period of one month for each day from date of loan to date of prepayment, and shall refund, or credit the borrower with, the balance of the total interest contracted for. If the maturity of the loan is accelerated for any reason and judgment is entered, the registrant shall credit the borrower with the same refund as if prepayment in full had been made on the date the judgment is entered.

(4) If the parties agree in writing, either in the loan contract or in a subsequent agreement, to a deferment of wholly unpaid installments, a registrant may grant a deferment and may collect a deferment charge as provided in this section. A deferment postpones the scheduled due date of the earliest unpaid installment and all subsequent installments as originally scheduled, or as previously deferred, for a period equal to the deferment period. The deferment period is that period during which no installment is scheduled to be paid by reason of the deferment. The deferment charge for a one-month period may not exceed the applicable charge for the installment period immediately following the due date of the last undeferred installment. A proportionate charge may be made for deferment for periods of more or less than one month. A deferment charge is earned pro rata during the deferment period and is fully earned on the last day of the deferment period. If a loan is prepaid in full during a deferment period, the registrant shall make, or credit to the borrower, a refund of the unearned deferment charge in addition to any other refund or credit made for prepayment of the loan in full.

(E) A registrant, at the request of the borrower, may obtain, on one or more borrowers, credit life insurance, credit accident and health insurance, and unemployment insurance. The premium or identifiable charge for the insurance may be included in the principal amount of the loan and may not exceed the premium rate filed by the insurer with the superintendent of insurance and not disapproved by the superintendent. If a registrant obtains the insurance at the request of the borrower, the borrower shall have the right to cancel the insurance for a period of twenty-five days after the loan is made. If the borrower chooses to cancel the insurance, the borrower shall give the registrant written notice of this choice and shall return all of the policies or certificates of insurance or

notices of proposed insurance to the registrant during such period, and the full premium or identifiable charge for the insurance shall be refunded to the borrower by the registrant. If the borrower requests, in the notice to cancel the insurance, that this refund be applied to reduce the balance of a precomputed loan, the registrant shall credit the amount of the refund plus the amount of interest applicable to the refund to the loan balance.

If the registrant obtains the insurance at the request of the borrower, the registrant shall not charge or collect interest on any insured amount that remains unpaid after the insured borrower's date of death.

(F) A registrant may require the borrower to provide insurance or a loss payable endorsement covering reasonable risks of loss, damage, and destruction of property used as security for the loan and with the consent of the borrower such insurance may cover property other than that which is security for the loan. The amount and term of required property insurance shall be reasonable in relation to the amount and term of the loan contract and the type and value of the security, and the insurance shall be procured in accordance with the insurance laws of this state. The purchase of this insurance through the registrant or an agent or broker designated by the registrant shall not be a condition precedent to the granting of the loan. If the borrower purchases the insurance from or through the registrant or from another source, the premium may be included in the principal amount of the loan.

(G) On loans secured by an interest in real estate, all of the following apply:

(1) A registrant , if not prohibited by section 1343.011 of the Revised Code, may charge and receive up to two points, and a prepayment penalty not in excess of one per cent of the original principal amount of the loan. Points may be paid by the borrower at the time of the loan or may be included in the principal amount of the loan. On a refinancing, a registrant may not charge under division (G)(1) of this section either of the following:

(a) Points on the portion of the principal amount that is applied to the unpaid principal amount of the refinanced loan, if the refinancing occurs within one year after the date of the refinanced loan on which points were charged;

(b) A prepayment penalty.

(2) As an alternative to the prepayment penalty described in division (G)(1) of this section, a registrant may contract for, charge, and receive the prepayment penalty described in division (G)(2) of this section for the prepayment of a loan prior to two years after the date the loan contract is executed. This prepayment penalty shall not exceed two per cent of the original principal amount of the loan if the loan is paid in full prior to one year after the date the loan contract is executed. The penalty shall not exceed one per cent of the original principal amount of the loan if the loan is paid in full at any time from one year, but prior to two years, after the date the loan contract is executed. A registrant shall not charge or receive a prepayment penalty under division

(G)(2) of this section if any of the following applies:

(a) The loan is a refinancing by the same registrant or a registrant to whom the loan has been assigned;

(b) The loan is paid in full as a result of the sale of the real estate that secures the loan;

(c) The loan is paid in full with the proceeds of an insurance claim against an insurance policy that insures the life of the borrower or an insurance policy that covers loss, damage, or destruction of the real estate that secures the loan.

(3) Division (G) of this section is not a limitation on discount points or other charges for purposes of section 501(b)(4) of the "Depository Institutions Deregulation and Monetary Control Act of 1980," 94 Stat. 161, 12 U.S.C.A. 1735f-7 note.

(H)(1) In addition to the interest and charges provided for by this section, no further or other amount, whether in the form of broker fees, placement fees, or any other fees whatsoever, shall be charged or received by the registrant, except costs and disbursements in connection with any suit to collect a loan or any lawful activity to realize on a security interest or mortgage after default, including reasonable attorney fees incurred by the registrant as a result of the suit or activity and to which the registrant becomes entitled by law, and except the following additional charges which may be included in the principal amount of the loan or collected at any time after the loan is made:

(a) The amounts of fees authorized by law to record, file, or release security interests and mortgages on a loan;

(b) With respect to a loan secured by an interest in real estate, the following closing costs, if they are bona fide, reasonable in amount, paid to third parties, and not for the purpose of circumvention or evasion of this section:

(i) Fees or premiums for title examination, abstract of title, title insurance, surveys, title endorsements, title binders, title commitments, home inspections, or pest inspections; settlement or closing costs paid to unaffiliated third parties; courier fees; and any federally mandated flood plain certification fee;

(ii) If not paid to the registrant, an employee of the registrant, or a person ~~related to~~ affiliated with the registrant, fees for preparation of a mortgage, settlement statement, or other documents, fees for notarizing mortgages and other documents, appraisal fees, and fees for any federally mandated inspection of home improvement work financed by a second mortgage loan;

(c) Fees for credit investigations not exceeding ten dollars.

(2) Division (H)(1) of this section does not limit the rights of registrants to engage in other transactions with borrowers, provided the transactions are not a condition of the loan.

(I) If the loan contract or security instrument contains covenants by the borrower to perform certain duties pertaining to insuring or preserving security and the registrant pursuant to the loan contract or security instrument pays for performance of the duties on behalf of the borrower, the registrant may add the amounts paid to the unpaid principal balance of the loan or collect them separately. A charge for interest may be made for sums advanced not exceeding the rate of interest permitted by division (A) of this section. Within a reasonable time after advancing a sum, the registrant shall notify the borrower in writing of the amount advanced, any interest charged with respect to the amount advanced, any revised payment schedule, and shall include a brief description of the reason for the advance.

(J)(1) In addition to points authorized under division (G) of this section, a registrant may charge and receive the following:

(a) With respect to ~~secured~~ loans secured by goods or real estate: if the principal amount of the loan is ~~less than~~ five hundred dollars or less, loan origination charges not exceeding fifteen dollars; if the principal amount of the loan is ~~at least~~ more than five hundred dollars but less than one thousand dollars, loan origination charges not exceeding thirty dollars; if the principal amount of the loan is at least one thousand dollars but less than two thousand dollars, loan origination charges not exceeding one hundred dollars; if the principal amount of the loan is at least two thousand dollars but less than five thousand dollars, loan origination charges not exceeding two hundred dollars; and if the principal amount of the loan is at least five thousand dollars, loan origination charges not exceeding the greater of two hundred fifty dollars or one per cent of the principal amount of the loan.

(b) With respect to ~~unsecured~~ loans that are not secured by goods or real estate: if the principal amount of the loan is ~~less than~~ five hundred dollars or less, loan origination charges not exceeding fifteen dollars; if the principal amount of the loan is ~~at least~~ more than five hundred dollars but less than one thousand dollars, loan origination charges not exceeding thirty dollars; if the principal amount of the loan is at least one thousand dollars but less than five thousand dollars, loan origination charges not exceeding one hundred dollars; and if the principal amount of the loan is at least five thousand dollars, loan origination charges not exceeding the greater of two hundred fifty dollars or one per cent of the principal amount of the loan.

(2) If a refinancing occurs within ninety days after the date of the refinanced loan, a registrant may not impose loan origination charges on the portion of the principal amount that is applied to the unpaid principal amount of the refinanced loan.

(3) Loan origination charges may be paid by the borrower at the time of the loan or may be included in the principal amount of the loan.

(K) A registrant may charge and receive check collection charges not greater than twenty dollars plus any amount passed on from other ~~financial~~

depository institutions for each check, negotiable order of withdrawal, share draft, or other negotiable instrument returned or dishonored for any reason.

(L) If the loan contract so provides, a registrant may collect a default charge on any installment not paid in full within ten days after its due date. For this purpose, all installments are considered paid in the order in which they become due. Any amounts applied to an outstanding loan balance as a result of voluntary release of a security interest, sale of security on the loan, or cancellation of insurance shall be considered payments on the loan, unless the parties otherwise agree in writing at the time the amounts are applied. The amount of the default charge shall not exceed the greater of five per cent of the scheduled installment or fifteen dollars.

Sec. 1321.59. (A) No registrant under sections 1321.51 to 1321.60 of the Revised Code shall permit any borrower to be indebted for a loan made under sections 1321.51 to 1321.60 of the Revised Code at any time while the borrower is also indebted to an affiliate or agent of the registrant for a loan made under sections 1321.01 to 1321.19 of the Revised Code for the purpose or with the result of obtaining greater charges than otherwise would be permitted by sections 1321.51 to 1321.60 of the Revised Code.

(B) No registrant shall induce or permit any person to become obligated to the registrant under sections 1321.51 to 1321.60 of the Revised Code, directly or contingently, or both, under more than one contract of loan at the same time for the purpose or with the result of obtaining greater charges than would otherwise be permitted by sections 1321.51 to 1321.60 of the Revised Code.

(C) No registrant shall refuse to provide information regarding the amount required to pay in full a loan under sections 1321.51 to 1321.60 of the Revised Code when requested by the borrower or by another person designated in writing by the borrower.

(D) On any loan or application for a loan under sections 1321.51 to 1321.60 of the Revised Code secured by a mortgage on a borrower's real estate which is other than a first lien on the real estate, no person shall pay or receive, directly or indirectly, fees or any other type of compensation for services of a mortgage broker that, in the aggregate, exceed the lesser of one thousand dollars or one per cent of the principal amount of the loan.

(E) No registrant or licensee shall obtain a certificate of registration or license through any false or fraudulent representation of a material fact or any omission of a material fact required by state or federal law, or make any substantial misrepresentation in the registration or license application, to engage in lending secured by real estate.

(F) No registrant or licensee, in connection with the business of making or offering to make residential mortage loans, shall knowingly make false or misleading statements of a material fact, omissions of statements required by state or federal law, or false promises regarding a material fact, through advertising or other means, or engage in a continued course of

misrepresentations.

(G) No registrant, licensee, or person making loans without a certificate of registration in violation of division (A) of section 1321.52 of the Revised Code, shall knowingly engage in conduct, in connection with the business of making or offering to make residential mortgage loans, that constitutes improper, fraudulent, or dishonest dealings.

(H) No registrant, licensee, or applicant involved in the business of making or offering to make residential mortgage loans shall fail to notify the division of financial institutions within thirty days after knowing any of the following:

(1) That the registrant, licensee, or applicant has been convicted of or pleaded guilty to a felony offense in a domestic, foreign, or military court;

(2) That the registrant, licensee, or applicant has been convicted of or pleaded guilty to any criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering, breach of trust, dishonesty, or drug trafficking, or any criminal offense involving money or securities, in a domestic, foreign, or military court;

(3) That the registrant, licensee, or applicant has had a mortgage lender registration or mortgage loan originator license, or comparable authority, revoked in any governmental jurisdiction.

(I) No registrant or licensee shall knowingly make, propose, or solicit fraudulent, false, or misleading statements on any mortgage document or on any document related to a mortgage loan, including a mortgage application, real estate appraisal, or real estate settlement or closing document. For purposes of this division, "fraudulent, false, or misleading statements" does not include mathematical errors, inadvertent transposition of numbers, typographical errors, or any other bona fide error.

(J) No registrant or licensee shall knowingly instruct, solicit, propose, or otherwise cause a borrower to sign in blank a loan related document in connection with a residential mortgage loan.

(K) No registrant or licensee shall knowingly compensate, instruct, induce, coerce, or intimidate, or attempt to compensate, instruct, induce, coerce, or intimidate, a person licensed or certified as an appraiser under Chapter 4763. of the Revised Code for the purpose of corrupting or improperly influencing the independent judgment of the person with respect to the value of the dwelling offered as security for repayment of a mortgage loan.

(L) No registrant or licensee shall willfully retain original documents provided to the registrant or licensee by the borrower in connection with the residential mortgage loan application, including income tax returns, account statements, or other financial related documents.

(M) No registrant or licensee shall, in connection with making residential

mortgage loans, receive, directly or indirectly, a premium on the fees charged for services performed by a bona fide third party.

(N) No registrant or licensee shall, in connection with making residential mortgage loans, pay or receive, directly or indirectly, a referral fee or kickback of any kind to or from a bona fide third party or other party with a related interest in the transaction, including a home improvement builder, real estate developer, or real estate broker or agent, for the referral of business. Nothing in this division shall prevent remuneration to a registrant or licensee for the licensed sale of any insurance product that is permitted under section 1321.57 of the Revised Code, provided there is no additional fee or premium added to the cost for the insurance and paid directly or indirectly by the borrower.

(O) No registrant, licensee, or person making loans without a certificate of registration in violation of division (A) of section 1321.52 of the Revised Code shall, in connection with making or offering to make residential mortgage loans, engage in any unfair, deceptive, or unconscionable act or practice prohibited under sections 1345.01 to 1345.13 of the Revised Code.

Sec. 1321.591. No registrant or licensee shall fail to follow the practices set forth in the federal "Fair Debt Collection Practices Act," 91 Stat. 874, 15 U.S.C. 1692, as amended, notwithstanding the fact that the registrant or licensee is seeking to collect upon the registrant's own debt.

Sec. 1321.592. (A) In connection with providing a non-brokered loan secured by a lien on real property, a registrant or licensee shall, not earlier than three business days nor later than twenty-four hours before the loan is closed, deliver to the borrower a written disclosure that includes the following:

(1) A statement indicating whether property taxes or any insurance will be escrowed;

(2) A description of what is covered by the regular monthly payment, including principal, interest, taxes, and insurance, as applicable.

(B) If a residential mortgage loan applied for will exceed ninety per cent of the value of the real property, the registrant shall provide a statement to the borrower within three business days after taking the loan application, printed in boldface type of the minimum size of sixteen points, as follows: "You are applying for a loan that is more than 90% of your home's value. It will be hard for you to refinance this loan. If you sell your home, you might owe more money on the loan than you get from the sale."

(C) No registrant or licensee shall fail to comply with this section.

Sec. 1321.593. (A) A registrant, licensee, and any person required to be registered or licensed under sections 1321.51 to 1321.60 of the Revised Code shall, in connection with the business of making or offering to make residential mortgage loans, do all of the following:

(1) Safeguard and account for any money handled for the borrower;

(2) Follow reasonable and lawful instructions from the borrower;

(3) Act with reasonable skill, care, and diligence;

(4) Act in good faith and with fair dealing in any transaction, practice, or course of business in connection with making or originating any residential mortgage loan under sections 1321.51 to 1321.60 of the Revised Code.

(B) Division (A) of this section shall not apply to wholesale lenders. However, wholesale lender registrants are subject to all other requirements applicable to registrants. For purposes of this division, "wholesale lender" means a company that has been issued a certificate of registration and that enters into transactions with borrowers exclusively through unaffiliated third-party mortgage brokers or lenders.

(C) The duties and standards of care created in this section cannot be waived or modified.

Sec. 1321.594. (A) In connection with making a non-brokered residential mortgage, no registrant or licensee shall fail to do either of the following:

(1) Timely inform the borrower of any material change in the terms of the residential mortgage loan. For purposes of division (A) (1) of this section, "material change" means the following:

(a) A change in the type of residential mortgage loan being offered, such as a fixed or variable rate loan or a loan with a balloon payment;

(b) A change in the term of the loan, as reflected in the number of monthly payments due before a final payment is scheduled to be made;

(c) A change in the interest rate of more than 0.15%;

(d) A change in the regular total monthly payment, including principal, interest, any required mortgage insurance, and any escrowed taxes or property insurance, of more than five per cent;

(e) A change regarding whether the escrow of taxes or insurance will be required;

(f) A change regarding whether private mortgage insurance will be required.

(2) Timely inform the borrower if any fees payable by the borrower to the licensee, registrant, or lender increase by more than ten per cent or one hundred dollars, whichever is greater.

(B) The disclosures required by this section shall be deemed timely if the registrant or licensee provides the borrower with the revised information not later than the time requirement imposed by 12 C.F.R. 226.19(a)(2) and (3), as those provisions of federal law exist on July 31, 2009.

(C) If an increase in the total amount of the fee to be paid by the borrower to the registrant or licensee is not disclosed in accordance with division

(A)(2) of this section, the registrant or licensee shall refund to the borrower the amount by which the fee was increased. If the fee is financed into the loan, the registrant or licensee shall also refund to the borrower the interest that would accrue over the term of the loan on that excess amount.

Sec. 1321.60. (A)(1) Advertising for loans subject to sections 1321.51 to 1321.60 of the Revised Code shall not be false, misleading, or deceptive.

(2) False, misleading, or deceptive advertising includes, but is not limited to, the following:

(a) Placing, or causing to be placed, any advertisement indicating that special terms, reduced rates, guaranteed rates, particular rates, or any other special feature of mortgage loans is available unless the advertisement clearly states any limitations that apply;

(b) Placing, or causing to be placed, any advertisement containing a rate or special fee offer that is not a bona fide available rate or fee.

(B) In making any advertisement, a registrant shall comply with 12 C.F.R. 226.16, as amended.

Sec. 1321.99. (A) Whoever violates section 1321.02 of the Revised Code is guilty of a felony of the fifth degree.

(B) Whoever violates section 1321.13 of the Revised Code shall be fined not less than one hundred nor more than five hundred dollars or imprisoned not more than six months, or both.

(C) Whoever violates section 1321.14 of the Revised Code shall be fined not less than fifty nor more than two hundred dollars for a first offense; for a second offense such person shall be fined not less than two hundred nor more than five hundred dollars and imprisoned for not more than six months.

(D) Whoever willfully violates section 1321.57, 1321.58, division (A), (B), (C), or (D) of section 1321.59, 1321.591, or 1321.60 of the Revised Code is guilty of a minor misdemeanor and shall be fined not less than one nor more than five hundred dollars.

(E) Whoever violates section 1321.52 or division (I), (J), (K), (L), or (M) of section 1321.59 of the Revised Code is guilty of a felony of the fifth degree.

(F) Whoever violates division (A) of section 1321.73 of the Revised Code shall be fined not more than five hundred dollars or imprisoned not more than six months, or both.

(G) Whoever violates section 1321.41 of the Revised Code is guilty of a misdemeanor of the first degree.

(H) Whoever violates division (N) of section 1321.59 of the Revised Code is guilty of a felony of the fourth degree.

(I) The imposition of fines pursuant to this section does not preclude the

imposition of any administrative fines or civil penalties authorized under section 1321.54 or any other section of the Revised Code.

Sec. 1322.01. As used in sections 1322.01 to 1322.12 of the Revised Code:

(A) "Buyer" means an individual who is solicited to purchase or who purchases the services of a mortgage broker for purposes ~~other than~~ of obtaining a ~~business~~ residential mortgage loan ~~as described in division (B)(6) of section 1343.01 of the Revised Code~~.

(B) "Consumer reporting agency" has the same meaning as in the "Fair Credit Reporting Act," 84 Stat. 1128, 15 U.S.C.A. 1681a, as amended.

(C) "Employee" means an individual for whom a mortgage broker, in addition to providing a wage or salary, pays social security and unemployment taxes, provides workers' compensation coverage, and withholds local, state, and federal income taxes. "Employee" also includes any ~~shareholder, member, or partner of a registrant~~ individual who acts as a loan ~~officer~~ originator or operations manager of ~~the~~ a registrant, but for whom the registrant is prevented by law from making income tax withholdings.

(D) "Licensee" means any ~~person that~~ individual who has been issued a loan ~~officer~~ originator license under sections 1322.01 to 1322.12 of the Revised Code.

(E) (1) "Loan ~~officer~~ originator" means an ~~employee~~ individual who ~~originates mortgage loans in consideration of direct~~ for compensation or ~~indirect~~ gain, ~~profit, fees, or charges. "Loan officer" also includes an employee who solicits financial and mortgage information from the public for sale to another mortgage broker~~ or in anticipation of compensation or gain, does any of the following:

(a) Takes or offers to take a residential mortgage loan application;

(b) Assists or offers to assist a buyer in obtaining or applying to obtain a residential mortgage loan by, among other things, advising on loan terms, including rates, fees, and other costs;

(c) Offers or negotiates terms of a residential mortgage loan;

(d) Issues or offers to issue a commitment for a residential mortgage loan to a buyer.

(2) "Loan originator" does not include any of the following:

(a) An individual who performs purely administrative or clerical tasks on behalf of a loan originator;

(b) A person licensed under Chapter 4735. of the Revised Code, or under the similar law of another state, who performs only real estate brokerage activities permitted by that license, provided the person is not compensated by a mortgage lender, mortgage broker, loan originator, or by any agent thereof;

(c) A person solely involved in extensions of credit relating to timeshare plans, as that term is defined in 11 U.S.C. 101 in effect on January 1, 2009;

(d) An employee of a registrant who acts solely as a loan processor or underwriter and who does not represent to the public, through advertising or other means of communicating, including the use of business cards, stationery, brochures, signs, rate lists, or other promotional items, that the employee can or will perform any of the activities of a loan originator;

(e) A mortgage loan originator licensed under sections 1321.51 to 1321.60 of the Revised Code, when acting solely under that authority;

(f) A licensed attorney who negotiates the terms of a residential mortgage loan on behalf of a client as an ancillary matter to the attorney's representation of the client, unless the attorney is compensated by a lender, a mortgage broker, or another loan originator, or by any agent thereof;

(g) Any person engaged in the retail sale of manufactured homes, mobile homes, or industrialized units if, in connection with financing those retail sales, the person only assists the borrower by providing or transmitting the loan application and does not do any of the following:

(i) Offer or negotiate the residential mortgage loan rates or terms;

(ii) Provide any counseling with borrowers about residential mortgage loan rates or terms;

(iii) Receive any payment or fee from any company or individual for assisting the borrower obtain or apply for financing to purchase the manufactured home, mobile home, or industrialized unit;

(iv) Assist the borrower in completing a residential mortgage loan application.

(h) An individual employed by a nonprofit organization that is recognized as tax exempt under 26 U.S.C. 501(c)(3) and whose primary activity is the construction, remodeling, or rehabilitation of homes for use by low income families, provided that the nonprofit organization makes no-profit mortgage loans or mortgage loans at zero per cent interest to low income families and no fees accrue directly to the nonprofit organization or individual employed by the nonprofit organization from those mortgage loans and that the United States department of housing and urban development does not deny this exemption.

(F) "Mortgage" means any indebtedness secured by a deed of trust, security deed, or other lien on real property.

(G) (1) "Mortgage broker" means any of the following:

~~(1)~~ (a) A person that holds that person out as being able to assist a buyer in obtaining a mortgage and charges or receives from either the buyer or lender money or other valuable consideration readily convertible into money for providing this assistance;

~~(2)~~ (b) A person that solicits financial and mortgage information from the public, provides that information to a mortgage broker or a person that makes residential mortgage loans, and charges or receives from ~~the mortgage broker~~ either of them money or other valuable consideration readily convertible into money for providing the information;

~~(3)~~ (c) A person engaged in table-funding or warehouse-lending mortgage loans that are first lien residential mortgage loans.

(2) "Mortgage broker" does not include any of the following:

(a) A person that makes residential mortgage loans and receives a scheduled payment on each of those mortgage loans;

(b) Any entity chartered and lawfully doing business under the authority of any law of this state, another state, or the United States as a bank, savings bank, trust company, savings and loan association, or credit union, or a subsidiary of any such entity, which subsidiary is regulated by a federal banking agency and is owned and controlled by a depository institution;

(c) A consumer reporting agency that is in substantial compliance with the "Fair Credit Reporting Act," 84 Stat. 1128, 15 U.S.C.A. 1681a, as amended;

(d) Any political subdivision, or any governmental or other public entity, corporation, instrumentality, or agency, in or of the United States or any state;

(e) A college or university, or controlled entity of a college or university, as those terms are defined in section 1713.05 of the Revised Code;

(f) Any entity created solely for the purpose of securitizing loans secured by an interest in real estate, provided the entity does not service the loans. For purposes of division (G)(2)(f) of this section "securitizing" means the packaging and sale of mortgage loans as a unit for sale as investment securities, but only to the extent of those activities.

(g) Any person engaged in the retail sale of manufactured homes, mobile homes, or industrialized units if, in connection with obtaining financing by others for those retail sales, the person only assists the borrower by providing or transmitting the loan application and does not do any of the following:

(i) Offer or negotiate the residential mortgage loan rates or terms;

(ii) Provide any counseling with borrowers about residential mortgage loan rates or terms;

(iii) Receive any payment or fee from any company or individual for assisting the borrower obtain or apply for financing to purchase the manufactured home, mobile home, or industrialized unit;

(iv) Assist the borrower in completing the residential mortgage loan application.

(h) A mortgage banker, provided it complies with section 1322.022 of the

Revised Code and holds a valid letter of exemption issued by the superintendent. For purposes of this section, "mortgage banker" means any person that makes, services, buys, or sells residential mortgage loans secured by a first lien, that underwrites the loans, and that meets at least one of the following criteria:

(i) The person has been directly approved by the United States department of housing and urban development as a nonsupervised mortgagee with participation in the direct endorsement program. Division (G)(2)(h)(i) of this section includes a person that has been directly approved by the United States department of housing and urban development as a nonsupervised mortgagee with participation in the direct endorsement program and that makes loans in excess of the applicable loan limit set by the federal national mortgage association, provided that the loans in all respects, except loan amounts, comply with the underwriting and documentation requirements of the United States department of housing and urban development. Division (G)(2)(h)(i) of this section does not include a mortgagee approved as a loan correspondent.

(ii) The person has been directly approved by the federal national mortgage association as a seller/servicer. Division (G)(2)(h)(ii) of this section includes a person that has been directly approved by the federal national mortgage association as a seller/servicer and that makes loans in excess of the applicable loan limit set by the federal national mortgage association, provided that the loans in all respects, except loan amounts, comply with the underwriting and documentation requirements of the federal national mortgage association.

(iii) The person has been directly approved by the federal home loan mortgage corporation as a seller/servicer. Division (G)(2)(h)(iii) of this section includes a person that has been directly approved by the federal home loan mortgage corporation as a seller/servicer and that makes loans in excess of the applicable loan limit set by the federal home loan mortgage corporation, provided that the loans in all respects, except loan amounts, comply with the underwriting and documentation requirements of the federal home loan mortgage corporation.

(iv) The person has been directly approved by the United States department of veterans affairs as a nonsupervised automatic lender. Division (G)(2)(h)(iv) of this section does not include a person directly approved by the United States department of veterans affairs as a nonsupervised lender, an agent of a nonsupervised automatic lender, or an agent of a nonsupervised lender.

(i) A nonprofit organization that is recognized as tax exempt under 26 U.S.C. 501(c)(3) and whose primary activity is the construction, remodeling, or rehabilitation of homes for use by low income families, provided that the nonprofit organization makes no-profit mortgage loans or mortgage loans at zero per cent interest to low income families and no fees accrue directly to the nonprofit organization from those mortgage loans and that the United States department of housing and urban development does not deny this exemption.

(j) A credit union service organization, provided that the organization

utilizes services provided by registered loan originators or that it holds a valid letter of exemption issued by the superintendent under section 1322.023 of the Revised Code and complies with that section.

(H) "Operations manager" means the ~~individual~~ employee or owner responsible for the everyday operations, compliance requirements, and management of a mortgage broker business.

(I) " ~~Originate~~ Registered loan originator" means ~~to do any~~ an individual to whom both of the following apply:

(1) ~~Negotiate or arrange, or offer to negotiate or arrange, a mortgage loan between a person that makes or funds mortgage loans and a buyer;~~ The individual is a loan originator and an employee of a depository institution, a subsidiary that is owned and controlled by a depository institution and regulated by a federal banking agency, or an institution regulated by the farm credit administration.

(2) ~~Issue a commitment for a mortgage loan to a buyer;~~

~~(3) Place, assist in placement, or find a mortgage loan for a buyer~~ The individual is registered with, and maintains a unique identifier through, the nationwide mortgage licensing system and registry.

(J) "Registrant" means any person that has been issued a mortgage broker certificate of registration under sections 1322.01 to 1322.12 of the Revised Code.

(K) "Superintendent of financial institutions" includes the deputy superintendent for consumer finance as provided in section 1181.21 of the Revised Code.

(L) "Table-funding mortgage loan" means a residential mortgage loan transaction in which the residential mortgage loan is initially payable to the mortgage broker, the mortgage broker does not use the mortgage broker's own funds to fund the transaction, and, by the terms of the mortgage or other agreement, the mortgage is simultaneously assigned to another person.

(M) "Warehouse-lending mortgage loan" means a residential mortgage loan transaction in which the residential mortgage loan is initially payable to the mortgage broker, the mortgage broker uses the mortgage broker's own funds to fund the transaction, and the mortgage is sold or assigned before the mortgage broker receives a scheduled payment on the residential mortgage loan.

(N) "Administrative or clerical tasks" means the receipt, collection, and distribution of information common for the processing or underwriting of a loan in the mortgage industry, and communication with a consumer to obtain information necessary for the processing or underwriting of a residential mortgage loan.

(O) "Appraisal company" means a sole proprietorship, partnership, corporation, limited liability company, or any other business entity or

association, that employs or retains the services of a person licensed or certified under Chapter 4763. of the Revised Code for purposes of performing residential real estate appraisals for mortgage loans.

(P) "Depository institution" has the same meaning as in section 3 of the "Federal Deposit Insurance Act," 64 Stat. 873, 12 U.S.C. 1813, and includes any credit union.

(Q) "Federal banking agency" means the board of governors of the federal reserve system, the comptroller of the currency, the director of the office of thrift supervision, the national credit union administration, and the federal deposit insurance corporation.

(R) "Immediate family" means an individual's spouse, child, stepchild, parent, stepparent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, or sister-in-law.

(S) "Individual" means a natural person.

(T) "Loan processor or underwriter" means an individual who performs clerical or support duties at the direction of and subject to the supervision and instruction of a licensed loan originator or registered loan originator. For purposes of this division, "clerical or support duties" includes the following activities:

(1) The receipt, collection, distribution, and analysis of information common for the processing or underwriting of a residential mortgage loan;

(2) Communicating with a buyer to obtain the information necessary for the processing or underwriting of a loan, to the extent the communication does not include offering or negotiating loan rates or terms or counseling buyers about residential mortgage loan rates or terms.

(U) "Nationwide mortgage licensing system and registry" means a mortgage licensing system developed and maintained by the conference of state bank supervisors and the American association of residential mortgage regulators, or their successor entities, for the licensing and registration of loan originators, or any system established by the secretary of housing and urban development pursuant to the "Secure and Fair Enforcement for Mortgage Licensing Act of 2008," 122 Stat. 2810, 12 U.S.C. 5101.

(V) "Nontraditional mortgage product" means any mortgage product other than a thirty-year fixed rate mortgage.

(W) "Real estate brokerage activity" means any activity that involves offering or providing real estate brokerage services to the public, including all of the following:

(1) Acting as a real estate agent or real estate broker for a buyer, seller, lessor, or lessee of real property;

(2) Bringing together parties interested in the sale, purchase, lease, rental,

or exchange of real property, other than in connection with providing financing for any such transaction;

(3) Negotiating, on behalf of any party, any portion of a contract relating to the sale, purchase, lease, rental, or exchange of real property, other than in connection with providing financing for any such transaction;

(4) Engaging in any activity for which a person engaged in that activity is required to be registered or licensed as a real estate agent or real estate broker under any applicable law;

(5) Offering to engage in any activity, or to act in any capacity, described in division (W) of this section.

(X) "Residential mortgage loan" means any loan primarily for personal, family, or household use that is secured by a mortgage on a dwelling or on residential real estate upon which is constructed or intended to be constructed a dwelling. For purposes of this division, "dwelling" has the same meaning as in section 103 of the "Truth in Lending Act," 82 Stat. 146, 15 U.S.C 1602.

(Y) "State," in the context of referring to states in addition to Ohio, means any state of the United States, the district of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the trust territory of the Pacific islands, the virgin islands, and the northern Mariana islands;

(Z) "Unique identifier" means a number or other identifier that permanently identifies a loan originator and is assigned by protocols established by the nationwide mortgage licensing system and registry or federal banking agencies to facilitate electronic tracking of loan originators and uniform identification of, and public access to, the employment history of and the publicly adjudicated disciplinary and enforcement actions against loan originators.

Sec. 1322.02. (A)(1) No person, on the person's own behalf or on behalf of any other person, shall act as a mortgage broker without first having obtained a certificate of registration from the superintendent of financial institutions for every office to be maintained by the person for the transaction of business as a mortgage broker in this state. A registrant shall maintain an office location in this state for the transaction of business as a mortgage broker in this state.

(2) No person shall act or hold that person's self out as a mortgage broker under the authority or name of a registrant or person exempt from sections 1322.01 to 1322.12 of the Revised Code without first having obtained a certificate of registration from the superintendent for every office to be maintained by the person for the transaction of business as a mortgage broker in this state.

(B) (1) No ~~person, on the person's own behalf or on behalf of any other person,~~ individual shall act as a loan ~~officer~~ originator without first having obtained a license from the superintendent. A loan ~~officer~~ originator shall be employed by or associated with a mortgage broker or any person or entity listed

in division (G)(2) of section 1322.01 of the Revised Code, but shall not be employed by or associated with more than one mortgage broker or person or entity at any one time.

(2) An individual acting under the individual's authority as a registered loan originator shall not be required to be licensed under division (B)(1) of this section.

(C)(1) ~~The following persons are exempt from sections 1322.01 to 1322.12 of the Revised Code only with respect to business engaged in or authorized by their charter, license, authority, approval, or certificate, or as otherwise authorized by division (C)(1)(g) of this section:~~

~~(a) A bank, savings bank, savings and loan association, credit union, or credit union service organization organized under the laws of this state, another state, or the United States, or a subsidiary or affiliate of a bank, savings bank, savings and loan association, credit union, or credit union service organization. As used in this division, "affiliate" means an entity that controls, is controlled by, or is under common control with, a bank, savings bank, savings and loan association, credit union, or credit union service organization and that the board of governors of the federal reserve system, the comptroller of the currency, the office of thrift supervision, the federal deposit insurance corporation, or the national credit union administration has the authority to examine, supervise, and regulate including with respect to the affiliate's compliance with applicable consumer protection requirements.~~

~~(b) A budget and debt counseling service, as defined in division (D) of section 2716.03 of the Revised Code, provided that the service is a nonprofit organization exempt from taxation under section 501(c)(3) of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 501, as amended, and that the service is in compliance with Chapter 4710. of the Revised Code;~~

~~(c) A consumer reporting agency that is in substantial compliance with the "Fair Credit Reporting Act," 84 Stat. 1128, 15 U.S.C.A. 1681a, as amended;~~

~~(d) Any political subdivision, or any governmental or other public entity, corporation, or agency, in or of the United States or any state of the United States;~~

~~(e) A college or university, or controlled entity of a college or university, as defined in section 1713.05 of the Revised Code;~~

~~(f) A person registered under sections 1321.51 to 1321.60 of the Revised Code, provided that not more than five per cent of the person's mortgage loans constitute table-funding mortgage loans or warehouse-lending mortgage loans. Division (C)(1)(f) of this section does not include any person that is also registered or licensed under sections 1322.01 to 1322.12 of the Revised Code.~~

~~(g) A mortgage banker. For purposes of division (C)(1)(g) of this section, "mortgage banker" means any person that makes, services, buys, or sells mortgage loans, that underwrites the loans, and that meets at least one of the~~

~~following criteria:~~

~~(i) The person has been directly approved by the United States department of housing and urban development as a nonsupervised mortgagee with participation in the direct endorsement program. Division (C) (1) (g) (i) of this section includes a person that has been directly approved by the United States department of housing and urban development as a nonsupervised mortgagee with participation in the direct endorsement program and that makes loans in excess of the applicable loan limit set by the federal national mortgage association, provided that the loans in all respects, except loan amounts, comply with the underwriting and documentation requirements of the United States department of housing and urban development. Division (C)(1)(g)(i) of this section does not include a mortgagee approved as a loan correspondent.~~

~~(ii) The person has been directly approved by the federal national mortgage association as a seller/servicer. Division (C) (1) (g) (ii) of this section includes a person that has been directly approved by the federal national mortgage association as a seller/servicer and that makes loans in excess of the applicable loan limit set by the federal national mortgage association, provided that the loans in all respects, except loan amounts, comply with the underwriting and documentation requirements of the federal national mortgage association.~~

~~(iii) The person has been directly approved by the federal home loan mortgage corporation as a seller/servicer. Division (C) (1) (g) (iii) of this section includes a person that has been directly approved by the federal home loan mortgage corporation as a seller/servicer and that makes loans in excess of the applicable loan limit set by the federal home loan mortgage corporation, provided that the loans in all respects, except loan amounts, comply with the underwriting and documentation requirements of the federal home loan mortgage corporation.~~

~~(iv) The person has been directly approved by the United States department of veterans affairs as a nonsupervised automatic lender. Division (C)(1)(g)(iv) of this section does not include a person directly approved by the United States department of veterans affairs as a nonsupervised lender, an agent of a nonsupervised automatic lender, or an agent of a nonsupervised lender.~~

~~(h) A person created solely for the purpose of securitizing loans secured by an interest in real estate, provided the person does not service the loans. For purposes of division (C)(1)(h) of this section, "securitizing" means the packaging and sale of mortgage loans as a unit for sale as investment securities, but only to the extent of those activities~~ Each licensee shall register with, and maintain a valid unique identifier issued by, the nationwide mortgage licensing system and registry.

(2) ~~Any individual who is employed by a person exempt from sections 1322.01 to 1322.12 of the Revised Code is also exempt from those sections to the extent the individual is acting within the scope of the individual's employment and within the scope of the exempt person's charter, license,~~

~~authority, approval, or certificate~~ No person shall use a licensee's unique identifier for any purpose other than as set forth in the "Secure and Fair Enforcement for Mortgage Licensing Act of 2008," 122 Stat. 2810, 12 U.S.C. 5101.

Sec. 1322.022. (A) A mortgage banker seeking exemption from registration pursuant to division (G)(2)(h) of section 1322.01 of the Revised Code shall submit an application to the superintendent of financial institutions along with a nonrefundable fee of three hundred fifty dollars for each location of an office to be maintained by the mortgage banker. The application shall be in a form prescribed by the superintendent and shall include all of the following:

(1) The mortgage banker's business name and state of incorporation or business registration;

(2) The names of the owners, officers, or partners having control of the business;

(3) An attestation to all of the following:

(a) That the mortgage banker and its owners, officers, or partners identified in division (A)(2) of this section have not had a mortgage banker license, mortgage broker certificate of registration, or loan originator license, or any comparable authority, revoked in any governmental jurisdiction;

(b) That the mortgage banker and its owners, officers, or partners identified in division (A)(2) of this section have not been convicted of, or pleaded guilty to, any of the following in a domestic, foreign, or military court:

(i) During the seven-year period immediately preceding the date of application for exemption, any felony or a misdemeanor involving theft;

(ii) At any time prior to the date the application for exemption is approved, a felony involving an act of fraud, dishonesty, a breach of trust, theft, or money laundering.

(c) That, with respect to financing residential mortgage loans, the mortgage banker conducts business with residents of this state, or secures its loans with property located in this state, under authority of an approval described in division (G)(2)(h) of section 1322.01 of the Revised Code.

(4) The names of all loan originators or licensees under the mortgage banker's control and direction;

(5) An acknowledgment of understanding that the mortgage banker is subject to the regulatory authority of the division of financial institutions as provided in this section;

(6) Any further reasonable information that the superintendent may require.

(B)(1) If the superintendent determines that the mortgage banker honestly made the attestation required under division (A)(3) of this section and otherwise

qualifies for exemption, the superintendent shall issue a letter of exemption. Additional certified copies of a letter of exemption shall be provided upon request and the payment of seventy-five dollars per copy.

(2) If the superintendent determines that the mortgage banker does not qualify for exemption, the superintendent shall issue a notice of denial, and the mortgage banker may request a hearing in accordance with Chapter 119. of the Revised Code.

(C) All of the following conditions apply to any mortgage banker holding a valid letter of exemption:

(1) The mortgage banker shall be subject to examination in the same manner as a registrant with respect to the conduct of the mortgage banker's loan originators. In conducting any out-of-state examination, a mortgage banker shall be responsible for paying the costs of the division in the same manner as a registrant.

(2) The mortgage banker shall have an affirmative duty to supervise the conduct of its loan originators, and to cooperate with investigations by the division with respect to that conduct, in the same manner as is required of registrants.

(3) The mortgage banker shall keep and maintain records of all transactions relating to the conduct of its loan originators in the same manner as is required of registrants.

(4) The mortgage banker may provide the surety bond for its licensees in the same manner as is permitted for registrants.

(D) A letter of exemption expires annually on the thirty-first day of December and may be renewed on or before that date by submitting an application that meets the requirements of division (A) of this section and a nonrefundable renewal fee of three hundred fifty dollars for each location of an office to be maintained by the mortgage banker.

(E) The superintendent may issue a notice to revoke or suspend a letter of exemption if the superintendent finds that the letter was obtained through a false or fraudulent representation of a material fact, or the omission of a material fact, required by law, or that a condition for exemption is no longer being met. Prior to issuing an order of revocation or suspension, the mortgage banker shall be given an opportunity for a hearing in accordance with Chapter 119. of the Revised Code.

(F) All information obtained by the division pursuant to an examination or investigation under this section shall be subject to the confidentiality requirements set forth in section 1322.061 of the Revised Code.

(G) All money collected under this section shall be deposited into the state treasury to the credit of the consumer finance fund created in section 1321.21 of the Revised Code.

(H) A mortgage banker that holds a valid letter of exemption, and any licensee employed by the mortgage banker, shall not be required to comply with section 1322.062 of the Revised Code with respect to any transaction covered under the authority of an approval described in division (G)(2)(h) of section 1322.01 of the Revised Code. Compliance shall be required, however, with respect to transactions not covered under the authority of an approval described in that division.

Sec. 1322.023. (A) A credit union service organization seeking exemption from registration pursuant to division (G)(2)(j) of section 1322.01 of the Revised Code shall submit an application to the superintendent of financial institutions along with a nonrefundable fee of three hundred fifty dollars for each location of an office to be maintained by the organization. The application shall be in a form prescribed by the superintendent and shall include all of the following:

(1) The organization's business name and state of incorporation;

(2) The names of the owners, officers, or partners having control of the organization;

(3) An attestation to all of the following:

(a) That the organization and its owners, officers, or partners identified in division (A)(2) of this section have not had a mortgage broker certificate of registration or loan originator license, or any comparable authority, revoked in any governmental jurisdiction;

(b) That the organization and its owners, officers, or partners identified in division (A)(2) of this section have not been convicted of, or pleaded guilty to, any of the following in a domestic, foreign, or military court:

(i) During the seven-year period immediately preceding the date of application for exemption, any felony or a misdemeanor involving theft;

(ii) At any time prior to the date the application for exemption is approved, a felony involving an act of fraud, dishonesty, a breach of trust, theft, or money laundering.

(c) That, with respect to financing residential mortgage loans, the organization conducts business with residents of this state or secures its loans with property located in this state.

(4) The names of all loan originators or licensees under the organization's control and direction;

(5) An acknowledgment of understanding that the organization is subject to the regulatory authority of the division of financial institutions;

(6) Any further information that the superintendent may require.

(B)(1) If the superintendent determines that the credit union service organization honestly made the attestation required under division (A)(3) of this

section and otherwise qualifies for exemption, the superintendent shall issue a letter of exemption. Additional certified copies of a letter of exemption shall be provided upon request and the payment of seventy-five dollars per copy.

(2) If the superintendent determines that the organization does not qualify for exemption, the superintendent shall issue a notice of denial, and the organization may request a hearing in accordance with Chapter 119. of the Revised Code.

(C) All of the following conditions apply to any credit union service organization holding a valid letter of exemption:

(1) The organization shall be subject to examination in the same manner as a registrant with respect to the conduct of the organization's loan originators. In conducting any out-of-state examination, the organization shall be responsible for paying the costs of the division in the same manner as a registrant.

(2) The organization shall have an affirmative duty to supervise the conduct of its loan originators, and to cooperate with investigations by the division with respect to that conduct, in the same manner as is required of registrants.

(3) The organization shall keep and maintain records of all transactions relating to the conduct of its loan originators in the same manner as is required of registrants.

(4) The organization may provide the surety bond for its licensees in the same manner as is permitted for registrants.

(D) A letter of exemption expires annually on the thirty-first day of December and may be renewed on or before that date by submitting an application that meets the requirements of division (A) of this section and a nonrefundable renewal fee of three hundred fifty dollars for each location of an office to be maintained by the credit union service organization.

(E) The superintendent may issue a notice to revoke or suspend a letter of exemption if the superintendent finds that the letter was obtained though a false or fraudulent representation of a material fact, or the omission of a material fact, required by law, or that a condition for exemption is no longer being met. Prior to issuing an order of revocation or suspension, the credit union service organization shall be given an opportunity for a hearing in accordance with Chapter 119. of the Revised Code.

(F) All information obtained by the division pursuant to an examination or investigation under this section shall be subject to the confidentiality requirements set forth in section 1322.061 of the Revised Code.

(G) All money collected under this section shall be deposited into the state treasury to the credit of the consumer finance fund created in section 1321.21 of the Revised Code.

Sec. 1322.024. The superintendent of financial institutions may, by rule,

expand the definition of loan originator or mortgage broker in section 1322.01 of the Revised Code by adding individuals, persons, or entities, or may exempt additional individuals, persons, or entities from those definitions, if the superintendent finds that the addition or exemption is consistent with the purposes fairly intended by the policy and provisions of sections 1322.01 to 1322.12 of the Revised Code and the "Secure and Fair Enforcement for Mortgage Licensing Act of 2008," 122 Stat. 2810, 12 U.S.C. 5101.

Rules authorized by this section shall be adopted in accordance with Chapter 119. of the Revised Code.

Sec. 1322.025. (A) Notwithstanding any provision of sections 1322.01 to 1322.12 of the Revised Code, or any rule adopted thereunder, if the "Secure and Fair Enforcement for Mortgage Licensing Act of 2008," 122 Stat. 2810, 12 U.S.C. 5101, as amended, is modified after the effective date of this section, or any regulation, statement, or position is adopted under that act, and the item modified or adopted affects any matter within the scope of sections 1322.01 to 1322.12 of the Revised Code, the superintendent of financial institutions may by rule adopt a similar provision.

(B) The superintendent shall adopt the rules authorized by this section in accordance with section 111.15 of the Revised Code. Chapter 119. of the Revised Code does not apply to rules adopted under the authority of this section.

(C) A rule adopted by the superintendent under the authority of this section is effective on the later of the following dates:

(1) The date the superintendent issues the rule;

(2) The date the regulation, rule, interpretation, procedure, or guideline the superintendent's rule is based on becomes effective.

(D) The superintendent may, upon thirty days' written notice, revoke any rule adopted under the authority of this section. A rule adopted under the authority of this section, and not revoked by the superintendent, lapses and has no further force and effect eighteen months after the rule's effective date.

Sec. 1322.03. (A) An application for a certificate of registration as a mortgage broker shall be in writing, under oath, and in the form prescribed by the superintendent of financial institutions. The application shall be accompanied by a nonrefundable application fee of ~~three~~ five hundred ~~fifty~~ dollars for each location of an office to be maintained by the applicant in accordance with division (A) of section 1322.02 of the Revised Code ~~; however, an applicant that is registered under sections 1321.51 to 1321.60 of the Revised Code shall not be required to pay an application fee~~ and any additional fee required by the nationwide mortgage licensing system and registry. The application shall provide all of the following:

(1) The location or locations where the business is to be transacted and whether any location is a residence. If any location where the business is to be transacted is a residence, the superintendent may require that the application

~~shall~~ be accompanied by a ~~certified~~ copy of a zoning permit authorizing the use of the residence for commercial purposes, or ~~shall be accompanied~~ by a written opinion or other document issued by the county or political subdivision where the residence is located certifying that the use of the residence to transact business as a mortgage broker is not prohibited by the county or political subdivision. ~~The application also shall be accompanied by a photograph of each location at which the business will be transacted.~~

(2)(a) In the case of a sole proprietor, the name and address of the sole proprietor;

(b) In the case of a partnership, the name and address of each partner;

(c) In the case of a corporation, the name and address of each shareholder owning five per cent or more of the corporation;

(d) In the case of any other entity, the name and address of any person that owns five per cent or more of the entity that will transact business as a mortgage broker.

(3) ~~If the applicant is a partnership, corporation, limited liability company, or any other business entity or association, the~~ Each applicant shall designate an employee or owner of the applicant as the applicant's operations manager. While acting as the operations manager, the employee or owner shall be licensed as a loan originator under sections 1322.01 to 1322.12 of the Revised Code and shall not be employed by any other mortgage broker.

(4) Evidence that the ~~sole proprietor or the~~ person designated on the application pursuant to division (A)(3) of this section ~~, as applicable,~~ possesses at least three years of experience in the residential mortgage and lending field, which experience may include employment with or as a mortgage broker or with a ~~financial~~ depository institution, mortgage lending institution, or other lending institution, or possesses at least three years of other experience related specifically to the business of residential mortgage loans that the superintendent determines meets the requirements of division (A)(4) of this section;

(5) ~~On or after January 1, 2007, evidence~~ Evidence that the ~~sole proprietor or the~~ person designated on the application pursuant to division (A)(3) of this section has successfully completed ~~either of~~ the ~~following:~~

~~(a) At least twenty-four hours of live classroom~~ pre-licensing instruction ~~in a course or program of study approved by the superintendent that consists of at least all of the following:~~

~~(i) Four hours of instruction concerning state and federal mortgage lending laws, which shall include no less than two hours on this chapter;~~

~~(ii) Four hours of instruction concerning the Ohio consumer sales practices act, Chapter 1345. of the Revised Code, as it applies to registrants and licensees;~~

~~(iii) Four hours of instruction concerning the loan application process;~~

~~(iv) Two hours of instruction concerning the underwriting process;~~

~~(v) Two hours of instruction concerning the secondary market for mortgage loans;~~

~~(vi) Four hours of instruction concerning the loan closing process;~~

~~(vii) Two hours of instruction covering basic mortgage financing concepts and terms;~~

~~(viii) Two hours of instruction concerning the ethical responsibilities of a registrant, including with respect to confidentiality, consumer counseling, and the duties and standards of care created in section 1322.081 of the Revised Code.~~

~~(b) Other post-secondary education related specifically to the business of mortgage loans that the superintendent determines meets the requirements of division (A)(5)(a) of this section.~~

~~Division (A)(5) of this section does not apply to any applicant who has an application on file with the division of financial institutions prior to January 1, 2007.~~

~~The evidence submitted by the applicant pursuant to division (A)(5) of this section may be in the form of transcripts or a statement indicating that the applicant has, and will maintain, transcripts at the applicant's place of business for a period of five years for inspection by the superintendent at the superintendent's request~~ requirements set forth in section 1322.031 of the Revised Code.

(6) Evidence of compliance with the surety bond requirements of section 1322.05 of the Revised Code and with sections 1322.01 to 1322.12 of the Revised Code;

(7) In the case of a foreign business entity, evidence that it maintains a license or registration pursuant to Chapter 1703., 1705., 1775., 1776., 1777., 1782., or 1783. of the Revised Code to transact business in this state;

(8) ~~A statement as to whether the applicant or, to the best of the applicant's knowledge, any shareholder, member, partner, operations manager, or employee of the applicant has been convicted of or pleaded guilty to any criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering, or drug trafficking, or any criminal offense involving money or securities;~~

~~(9) A statement as to whether the applicant or, to the best of the applicant's knowledge, any shareholder, member, partner, operations manager, or employee of the applicant has been subject to any adverse judgment for conversion, embezzlement, misappropriation of funds, fraud, misfeasance or malfeasance, or breach of fiduciary duty;~~

~~(10)~~ Evidence that the applicant's operations manager has successfully completed the ~~examination~~ written test required under division (A) of section

1322.051 of the Revised Code;

~~(11)~~ (9) Any further information that the superintendent requires.

(B) Upon the filing of the application and payment of the nonrefundable application fee and any fee required by the nationwide mortgage licensing system and registry, the superintendent of financial institutions shall investigate the applicant , and any individual whose identity is required to be disclosed in the application, as set forth in division (B) of this section.

(1) ~~The~~ (a) Notwithstanding division (K) of section 121.08 of the Revised Code, the superintendent shall obtain a criminal history records check and, as part of that records check, request that criminal record information from the federal bureau of investigation be obtained. To fulfill this requirement, the superintendent shall ~~request~~ do either of the following:

(i) Request the superintendent of the bureau of criminal identification and investigation, or a vendor approved by the bureau, to conduct a criminal records check based on the applicant's fingerprints or, if the fingerprints are unreadable, based on the applicant's social security number, in accordance with division (A) ~~(11)~~ (12) of section 109.572 of the Revised Code ~~. Notwithstanding division (K) of section 121.08 of the Revised Code, the superintendent of financial institutions shall~~ ;

(ii) Authorize the nationwide mortgage licensing system and registry to request ~~that criminal record information from the federal bureau of investigation be obtained as part of the~~ a criminal ~~records~~ history background check. ~~Any~~

(b) Any fee required under division (C)(3) of section 109.572 of the Revised Code or by the nationwide mortgage licensing system and registry shall be paid by the applicant.

(2) The superintendent shall conduct a civil records check.

(3) If, in order to issue a certificate of registration to an applicant, additional investigation by the superintendent outside this state is necessary, the superintendent may require the applicant to advance sufficient funds to pay the actual expenses of the investigation, if it appears that these expenses will exceed ~~three~~ five hundred ~~fifty~~ dollars. The superintendent shall provide the applicant with an itemized statement of the actual expenses that the applicant is required to pay.

(C) The superintendent shall pay all funds advanced and application and renewal fees and penalties the superintendent receives pursuant to this section and section 1322.04 of the Revised Code to the treasurer of state to the credit of the consumer finance fund created in section 1321.21 of the Revised Code.

(D) If an application for a mortgage broker certificate of registration does not contain all of the information required under division (A) of this section, and if that information is not submitted to the superintendent within ninety days after the superintendent requests the information in writing, the superintendent may consider the application withdrawn.

(E) A mortgage broker certificate of registration and the authority granted under that certificate is not transferable or assignable and cannot be franchised by contract or any other means.

(F) The registration requirements of this chapter apply to any person acting as a mortgage broker, and no person is exempt from the requirements of this chapter on the basis of prior work or employment as a mortgage broker.

(G) The superintendent may establish relationships or enter into contracts with the nationwide mortgage licensing system and registry, or any entities designated by it, to collect and maintain records and process transaction fees or other fees related to mortgage broker certificates of registration or the persons associated with a mortgage broker.

Sec. 1322.031. (A) An application for a license as a loan ~~officer~~ originator shall be in writing, under oath, and in the form prescribed by the superintendent of financial institutions. The application shall be accompanied by a nonrefundable application fee of one hundred fifty dollars and ~~shall provide all of the following:~~

~~(1) The name and address of the applicant;~~

~~(2) A statement as to whether the applicant has been convicted of or pleaded guilty to any criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering, or drug trafficking, or any criminal offense involving money or securities;~~

~~(3) A statement as to whether the applicant has been subject to an adverse judgment for conversion, embezzlement, misappropriation of funds, fraud, misfeasance or malfeasance, or breach of fiduciary duty;~~

~~(4) For loan officer applications submitted on or after January 1, 2007, proof~~ any additional fee required by the nationwide mortgage licensing system and registry.

(B)(1) The application shall provide evidence, acceptable to the superintendent, that the applicant has successfully completed at least twenty-four hours of pre-licensing instruction consisting of all of the following:

(a) Twenty hours of instruction in a course or program of study reviewed and approved by the nationwide mortgage licensing system and registry;

(b) Four hours of instruction in a course or program of study reviewed and approved by the superintendent concerning state lending laws and the Ohio consumer sales practices act, Chapter 1345. of the Revised Code, as it applies to registrants and licensees.

(2) Notwithstanding division (B)(1) of this section, until the nationwide mortgage licensing system and registry implements a review and approval program, the application shall provide evidence, as determined by the superintendent, that the applicant has successfully completed at least twenty-four hours of ~~live classroom~~ instruction in a course or program of study approved by

the superintendent that consists of at least all of the following:

(a) Four hours of instruction concerning state and federal mortgage lending laws, which shall include no less than two hours on this chapter;

(b) Four hours of instruction concerning the Ohio consumer sales practices act, Chapter 1345. of the Revised Code, as it applies to registrants and licensees;

(c) Four hours of instruction concerning the loan application process;

(d) Two hours of instruction concerning the underwriting process;

(e) Two hours of instruction concerning the secondary market for mortgage loans;

(f) Four hours of instruction concerning the loan closing process;

(g) Two hours of instruction covering basic mortgage financing concepts and terms;

(h) Two hours of instruction concerning the ethical responsibilities of a registrant and a licensee, including with respect to confidentiality, consumer counseling, and the duties and standards of care created in section 1322.081 of the Revised Code.

~~Division (A)(4) of this section does not apply to any applicant who has an application on file with the division of financial institutions prior to January 1, 2007.~~

~~The proof submitted by the applicant pursuant to division (A)(4) of this section may be in the form of transcripts or a statement indicating that the applicant has, and will maintain, transcripts at the applicant's place of business for a period of five years for inspection by the superintendent at the superintendent's request.~~

~~(5)~~ (3) For purposes of division (B)(1)(a) of this section, the review and approval of a course or program of study includes the review and approval of the provider of the course or program of study.

(4) If an applicant held a valid loan originator license issued by this state at any time during the immediately preceding five-year period, the applicant shall not be required to complete any additional pre-licensing instruction. For this purpose, any time during which the individual is a registered loan originator shall not be taken into account.

(5) A person having successfully completed the pre-licensing education requirement reviewed and approved by the nationwide mortgage licensing system and registry for any state within the previous five years shall be granted credit toward completion of the pre-licensing education requirement of this state.

(C) In addition to the information required under division (B) of this section, the application shall provide both of the following:

(1) Evidence that the applicant passed a written test that meets the requirements described in division (B) of section 1322.051 of the Revised Code;

(2) Any further information that the superintendent requires.

~~(B)~~ (D) Upon the filing of the application and payment of the application fee and any fee required by the nationwide mortgage licensing system and registry, the superintendent of financial institutions shall investigate the applicant as set forth in division ~~(B)~~ (D) of this section.

(1) ~~The~~ (a) Notwithstanding division (K) of section 121.08 of the Revised Code, the superintendent shall obtain a criminal history records check and, as part of the records check, request that criminal record information from the federal bureau of investigation be obtained. To fulfill this requirement, the superintendent shall ~~request~~ do either of the following:

(i) Request the superintendent of the bureau of criminal identification and investigation, or a vendor approved by the bureau, to conduct a criminal records check based on the applicant's fingerprints or, if the fingerprints are unreadable, based on the applicant's social security number, in accordance with division (A) ~~(11)~~ (12) of section 109.572 of the Revised Code ~~. Notwithstanding division (K) of section 121.08 of the Revised Code, the superintendent of financial institutions shall~~ ;

(ii) Authorize the nationwide mortgage licensing system and registry to request ~~that criminal record information from the federal bureau of investigation be obtained as part of the~~ a criminal ~~records~~ history background check. ~~Any~~

(b) Any fee required under division (C)(3) of section 109.572 of the Revised Code or by the nationwide mortgage licensing system and registry shall be paid by the applicant.

(2) The superintendent shall conduct a civil records check.

(3) If, in order to issue a license to an applicant, additional investigation by the superintendent outside this state is necessary, the superintendent may require the applicant to advance sufficient funds to pay the actual expenses of the investigation, if it appears that these expenses will exceed one hundred fifty dollars. The superintendent shall provide the applicant with an itemized statement of the actual expenses that the applicant is required to pay.

~~(C)~~ (E)(1) In connection with applying for a loan originator license, the applicant shall furnish to the nationwide mortgage licensing system and registry the following information concerning the applicant's identity:

(a) The applicant's fingerprints for submission to the federal bureau of investigation, and any other governmental agency or entity authorized to receive such information, for purposes of a state, national, and international criminal history background check;

(b) Personal history and experience in a form prescribed by the nationwide mortgage licensing system and registry, along with authorization for

the superintendent and the nationwide mortgage licensing system and registry to obtain the following:

(i) An independent credit report from a consumer reporting agency;

(ii) Information related to any administrative, civil, or criminal findings by any governmental jurisdiction.

(2) In order to effectuate the purposes of divisions (E)(1)(a) and (E)(1)(b)(ii) of this section, the superintendent may use the conference of state bank supervisors, or a wholly owned subsidiary, as a channeling agent for requesting information from and distributing information to the United States department of justice or any other governmental agency. The superintendent may also use the nationwide mortgage licensing system and registry as a channeling agent for requesting information from and distributing information to any source related to matters subject to those divisions of this section.

(F) The superintendent shall pay all funds advanced and application and renewal fees and penalties the superintendent receives pursuant to this section and section 1322.041 of the Revised Code to the treasurer of state to the credit of the consumer finance fund created in section 1321.21 of the Revised Code.

~~(D)~~ (G) If an application for a loan originator license does not contain all of the information required under ~~division (A) of~~ this section, and if that information is not submitted to the superintendent within ninety days after the superintendent requests the information in writing, the superintendent may consider the application withdrawn.

~~(E)~~ (H)(1) The business of a loan ~~officer~~ originator shall principally be transacted at an office of the ~~employing~~ mortgage broker with whom the licensee is employed or associated, which office is registered in accordance with division (A) of section 1322.02 of the Revised Code. Each original loan originator license shall be deposited with and maintained by the ~~employing~~ mortgage broker at the mortgage broker's main office. A copy of the license shall be maintained and displayed at the office where the loan ~~officer~~ originator principally transacts business.

(2) If a loan ~~officer's~~ originator's employment or association is terminated for any reason, the mortgage broker shall return the original loan originator license to the superintendent within five business days after the termination. The licensee may request the transfer of the license to another mortgage broker by submitting a ~~relocation~~ transfer application, along with a fifteen dollar fee and any fee required by the national mortgage licensing system and registry, to the superintendent or may request the superintendent in writing to hold the license in escrow ~~for a period not to exceed one year~~. Any licensee whose license is held in escrow shall cease activity as a loan ~~officer~~ originator. A licensee whose license is held in escrow shall be required to apply for renewal annually and to comply with the annual continuing education requirement.

(3) A mortgage broker may employ or be associated with a loan ~~officer~~

originator on a temporary basis pending the transfer of the loan ~~officer's~~ originator's license to the mortgage broker, if the mortgage broker receives written confirmation from the superintendent that the loan ~~officer~~ originator is licensed under sections 1322.01 to 1322.12 of the Revised Code.

~~(F)~~ (4) Notwithstanding divisions (H)(1) to (3) of this section, if a licensee is employed by or associated with a person or entity listed in division (G)(2) of section 1322.01 of the Revised Code, all of the following apply:

(a) The licensee shall maintain and display the original loan originator license at the office where the licensee principally transacts business;

(b) If the loan originator's employment or association is terminated, the loan originator shall return the original loan originator license to the superintendent within five business days after termination. The licensee may request the transfer of the license to a mortgage broker or another person or entity listed in division (G)(2) of section 1322.01 of the Revised Code by submitting a transfer application, along with a fifteen dollar fee and any fee required by the national mortgage licensing system and registry, to the superintendent or may request the superintendent in writing to hold the license in escrow. A licensee whose license is held in escrow shall cease activity as a loan originator. A licensee whose license is held in escrow shall be required to apply for renewal annually and to comply with the annual continuing education requirement.

(c) The licensee may seek to be employed or associated with a mortgage broker or person or entity listed in division (G)(2) of section 1322.01 of the Revised Code if the mortgage broker or person or entity receives written confirmation from the superintendent that the loan originator is licensed under sections 1322.01 to 1322.12 of the Revised Code.

(I) The superintendent may establish relationships or enter into contracts with the nationwide mortgage licensing system and registry, or any entities designated by it, to collect and maintain records and process transaction fees or other fees related to loan originator licenses or the persons associated with a licensee.

(J) A loan originator license, or the authority granted under that license, is not assignable and cannot be franchised by contract or any other means.

Sec. 1322.04. (A) Upon the conclusion of the investigation required under division (B) of section 1322.03 of the Revised Code, the superintendent of financial institutions shall issue a certificate of registration to the applicant if the superintendent finds that the following conditions are met:

(1) ~~Except as otherwise provided in division (A) of section 1322.03 of the Revised Code, the~~ The application is accompanied by the application fee and any fee required by the nationwide mortgage licensing system and registry. ~~If~~

(a) If a check or other draft instrument is returned to the superintendent for insufficient funds, the superintendent shall notify the applicant by certified

mail, return receipt requested, that the application will be withdrawn unless the applicant, within thirty days after receipt of the notice, submits the application fee and a one-hundred-dollar penalty to the superintendent. If the applicant does not submit the application fee and penalty within that time period, or if any check or other draft instrument used to pay the fee or penalty is returned to the superintendent for insufficient funds, the application shall be withdrawn.

(b) If a check or other draft instrument is returned to the superintendent for insufficient funds after the certificate of registration has been issued, the superintendent shall notify the registrant by certified mail, return receipt requested, that the certificate of registration issued in reliance on the check or other draft instrument will be canceled unless the registrant, within thirty days after receipt of the notice, submits the application fee and a one-hundred-dollar penalty to the superintendent. If the registrant does not submit the application fee and penalty within that time period, or if any check or other draft instrument used to pay the fee or penalty is returned to the superintendent for insufficient funds, the certificate of registration shall be canceled immediately without a hearing, and the registrant shall cease activity as a mortgage broker.

(2) If the application is for a location that is a residence, ~~that the applicant has obtained a valid zoning permit authorizing the use of the residence for commercial purposes, or has obtained a valid written opinion or other document issued by the county or political subdivision where the residence is located certifying~~ evidence that the use of the residence to transact business as a mortgage broker is not prohibited ~~by the county or political subdivision. The application also is accompanied by a photograph of each location at which the mortgage broker's business will be transacted~~.

(3) The ~~sole proprietor or the~~ person designated on the application pursuant to division (A)(3) of section 1322.03 of the Revised Code ~~, as applicable,~~ meets the experience requirements provided in division (A)(4) of section 1322.03 of the Revised Code and the education requirements set forth in division (A)(5) of section 1322.03 of the Revised Code.

(4) The applicant maintains all ~~licenses~~ necessary filings and ~~registrations~~ approvals required by the secretary of state.

(5) The applicant complies with the surety bond requirements of section 1322.05 of the Revised Code.

(6) The applicant complies with sections 1322.01 to 1322.12 of the Revised Code and the rules adopted thereunder.

(7) Neither the applicant nor any ~~shareholder, member, partner, operations manager, or employee of the applicant~~ person whose identity is required to be disclosed on an application for a mortgage broker certificate of registration has had a mortgage broker certificate of registration or loan originator license, or any comparable authority, revoked in any governmental jurisdiction or has pleaded guilty to or been convicted of any ~~criminal offense described in division (A)(8) of section 1322.03 of the Revised Code or any~~

~~violation of an existing or former law of this state, any other state, or the United States that substantially is equivalent to a criminal offense described in that division. However, if the applicant or any of those other persons has pleaded guilty to or been convicted of any such offense other than theft, the superintendent shall not consider the offense if the applicant has proven to the superintendent, by a preponderance of the evidence, that the applicant's or other person's activities and employment record since the conviction show that the applicant or other person is honest, truthful, and of good reputation, and there is no basis in fact for believing that the applicant or other person will commit such an offense again~~ of the following in a domestic, foreign, or military court:

(a) During the seven-year period immediately preceding the date of application for the certificate of registration, any felony or a misdemeanor involving theft;

(b) At any time prior to the date the application for the certificate of registration is approved, a felony involving an act of fraud, dishonesty, a breach of trust, theft, or money laundering.

(8) ~~Neither the applicant nor any shareholder, member, partner, operations manager, or employee of the applicant has been subject to any adverse judgment for conversion, embezzlement, misappropriation of funds, fraud, misfeasance or malfeasance, or breach of fiduciary duty, or, if the applicant or any of those other persons has been subject to such a judgment~~ Based on the totality of the circumstances and information submitted in the application, the applicant has proven to the superintendent, by a preponderance of the evidence, that the ~~applicant's or other person's activities and employment record since the judgment show that the~~ applicant ~~or other person~~ is ~~honest, truthful, and~~ of good ~~reputation, and there is no basis in fact for believing that the applicant or other person will be subject to such a judgment again~~ business repute, appears qualified to act as a mortgage broker, has fully complied with sections 1322.01 to 1322.12 of the Revised Code and the rules adopted thereunder, and meets all of the conditions for issuing a mortgage broker certificate of registration.

(9) The applicant's operations manager successfully completed the examination required under division (A) of section 1322.051 of the Revised Code.

(10) The applicant's financial responsibility, experience, character, and general fitness command the confidence of the public and warrant the belief that the business will be operated honestly and fairly in compliance with the purposes of sections 1322.01 to 1322.12 of the Revised Code and the rules adopted thereunder. The superintendent shall not use a credit score as the sole basis for registration denial.

(B) For purposes of determining whether an applicant that is a partnership, corporation, or other business entity or association has met the conditions set forth in divisions (A)(7), (A)(8), and (A)(10) of this section, the superintendent shall determine which partners, shareholders, or persons named

in the application pursuant to division (A)(2) of section 1322.03 of the Revised Code must meet the conditions set forth in divisions (A)(7), (A)(8), and (A)(10) of this section. This determination shall be based on the extent and nature of the partner's, shareholder's, or person's ownership interest in the partnership, corporation, or other business entity or association that is the applicant and on whether the person is in a position to direct, control, or adversely influence the operations of the applicant.

~~(B)~~ (C) The certificate of registration issued pursuant to division (A) of this section may be renewed annually on or before the ~~thirtieth~~ thirty-first day of ~~April~~ December if the superintendent finds that all of the following conditions are met:

(1) The renewal application is accompanied by a nonrefundable renewal fee of ~~three~~ five hundred ~~fifty~~ dollars for each location of an office to be maintained by the applicant in accordance with division (A) of section 1322.02 of the Revised Code ~~; however, an applicant that is registered under sections 1321.51 to 1321.60 of the Revised Code shall not be required to pay a renewal fee~~ and any fee required by the nationwide mortgage licensing system and registry. If a check or other draft instrument is returned to the superintendent for insufficient funds, the superintendent shall notify the registrant by certified mail, return receipt requested, that the certificate of registration renewed in reliance on the check or other draft instrument will be canceled unless the registrant, within thirty days after receipt of the notice, submits the renewal fee and a one-hundred-dollar penalty to the superintendent. If the registrant does not submit the renewal fee and penalty within that time period, or if any check or other draft instrument used to pay the fee or penalty is returned to the superintendent for insufficient funds, the certificate of registration shall be canceled immediately without a hearing and the registrant shall cease activity as a mortgage broker.

(2) ~~On and after January 1, 2003, the~~ The operations manager designated under division (A)(3) of section 1322.03 of the Revised Code has completed ~~, during the immediately preceding calendar year~~, at least ~~six~~ eight hours of continuing education as required under section 1322.052 of the Revised Code.

(3) The applicant meets the conditions set forth in divisions (A)(2) to (10) of this section.

(4) The applicant's mortgage broker certificate of registration is not subject to an order of suspension or ~~revocation~~ an unpaid and past due fine imposed by the superintendent.

~~(C)~~ (D)(1) Subject to division ~~(C)~~ (D)(2) of this section, if a renewal fee or additional fee required by the nationwide mortgage licensing system and registry is received by the superintendent after the ~~thirtieth~~ thirty-first day of ~~April~~ December, the mortgage broker certificate of registration shall not be considered renewed, and the applicant shall cease activity as a mortgage broker ~~and apply for a certificate of registration as a mortgage broker~~.

(2) Division ~~(C)~~ (D)(1) of this section shall not apply if the applicant, no later than the thirty-first day of ~~May~~ January, submits the renewal fee or additional fee and a one-hundred-dollar penalty to the superintendent.

~~(D)~~ (E) If the person designated as the operations manager pursuant to division (A)(3) of section 1322.03 of the Revised Code is no longer the operations manager, the registrant shall do all of the following:

(1) ~~Designate~~ Within ninety days after the departure of the designated operations manager, designate another person as the operations manager;

(2) Within ten days after the designation described in division ~~(D)~~ (E)(1) of this section, notify the superintendent in writing of the designation;

(3) Submit any additional information that the superintendent requires to establish that the newly designated operations manager complies with the ~~experience~~ requirements set forth in ~~division (A)(4) of~~ section 1322.03 of the Revised Code.

(F) The registrant shall cease operations if it is without an operations manager approved by the superintendent for more than one hundred eighty days unless otherwise authorized in writing by the superintendent due to exigent circumstances.

(G) Mortgage broker certificates of registration issued on or after May 1, 2010, annually expire on the thirty-first day of December.

Sec. 1322.041. (A) Upon the conclusion of the investigation required under division ~~(B)~~ (D) of section 1322.031 of the Revised Code, the superintendent of financial institutions shall issue a loan ~~officer~~ originator license to the applicant if the superintendent finds that the following conditions are met:

(1) The application is accompanied by the application fee and any fee required by the nationwide mortgage licensing system and registry. ~~If~~

(a) If a check or other draft instrument is returned to the superintendent for insufficient funds, the superintendent shall notify the applicant by certified mail, return receipt requested, that the application will be withdrawn unless the applicant, within thirty days after receipt of the notice, submits the application fee and a one-hundred-dollar penalty to the superintendent. If the applicant does not submit the application fee and penalty within that time period, or if any check or other draft instrument used to pay the fee or penalty is returned to the superintendent for insufficient funds, the application shall be withdrawn.

(b) If a check or other draft instrument is returned to the superintendent for insufficient funds after the license has been issued, the superintendent shall notify the licensee by certified mail, return receipt requested, that the license issued in reliance on the check or other draft instrument will be canceled unless the licensee, within thirty days after receipt of the notice, submits the application fee and a one-hundred-dollar penalty to the superintendent. If the licensee does

not submit the application fee and penalty within that time period, or if any check or other draft instrument used to pay the fee or penalty is returned to the superintendent for insufficient funds, the license shall be canceled immediately without a hearing, and the licensee shall cease activity as a loan ~~officer~~ originator.

(2) The applicant complies with sections 1322.01 to 1322.12 of the Revised Code and the rules adopted thereunder.

(3) ~~The~~ (a) During the seven-year period immediately preceding the date of application for the license, the applicant has not been convicted of or pleaded guilty to any ~~criminal offense described in division (A)(2) of section 1322.031 of the Revised Code and the applicant has not pleaded guilty to or been convicted of a violation of an existing or former law of this state, any other state, or the United States that substantially is equivalent to a criminal offense described in that division. However, if~~ felony or a misdemeanor involving theft in a domestic, foreign, or military court.

(b) At any time prior to the date the application for the license is approved, the applicant has not been convicted of or pleaded guilty to ~~any such offense other than theft, the superintendent shall not consider the offense if the applicant has proven to the superintendent, by a preponderance of the evidence, that the applicant's activities and employment record since the conviction show that the applicant is honest, truthful, and of good reputation, and there is no basis in fact for believing that the applicant will commit such an offense again~~ a felony involving an act of fraud, dishonesty, a breach of trust, theft, or money laundering in a domestic, foreign, or military court.

(4) ~~The applicant has not been subject to an adverse judgment for conversion, embezzlement, misappropriation of funds, fraud, misfeasance or malfeasance, or breach of fiduciary duty, or, if the applicant has been subject to such a judgment~~ Based on the totality of the circumstances and information submitted in the application, the applicant has proven to the superintendent, by a preponderance of the evidence, that the ~~applicant's activities and employment record since the judgment show that the~~ applicant is ~~honest, truthful, and~~ of good ~~reputation, and there is no basis in fact for believing that the applicant will be subject to such a judgment again~~ business repute, appears qualified to act as a loan originator, has fully complied with sections 1322.01 to 1322.12 of the Revised Code and the rules adopted thereunder, and meets all of the conditions for issuing a loan originator license.

(5) The applicant successfully completed the ~~examination~~ written test required under division (B) of section 1322.051 of the Revised Code and completed the ~~education requirements~~ prelicensing instruction set forth in division ~~(A)(4)~~ (B) of section 1322.031 of the Revised Code.

(6) The applicant's financial responsibility, character , and general fitness command the confidence of the public and warrant the belief that the business will be operated honestly and fairly in compliance with the purposes of sections 1322.01 to 1322.12 of the Revised Code. The superintendent shall not use a

credit score as the sole basis for a license denial.

(7) The applicant is in compliance with the surety bond requirements of section 1322.05 of the Revised Code.

(8) The applicant has not had a loan originator license, or comparable authority, revoked in any governmental jurisdiction.

(B) The license issued under division (A) of this section may be renewed annually on or before the ~~thirtieth~~ thirty-first day of ~~April~~ December if the superintendent finds that all of the following conditions are met:

(1) The renewal application is accompanied by a nonrefundable renewal fee of one hundred fifty dollars and any fee required by the nationwide mortgage licensing system and registry. If a check or other draft instrument is returned to the superintendent for insufficient funds, the superintendent shall notify the licensee by certified mail, return receipt requested, that the license renewed in reliance on the check or other draft instrument will be canceled unless the licensee, within thirty days after receipt of the notice, submits the renewal fee and a one-hundred-dollar penalty to the superintendent. If the licensee does not submit the renewal fee and penalty within that time period, or if any check or other draft instrument used to pay the fee or penalty is returned to the superintendent for insufficient funds, the license shall be canceled immediately without a hearing, and the licensee shall cease activity as a loan ~~officer~~ originator.

(2) ~~On and after January 1, 2003, the loan officer~~ The applicant has completed ~~, during the immediately preceding calendar year,~~ at least ~~six~~ eight hours of continuing education as required under section 1322.052 of the Revised Code.

(3) The applicant meets the conditions set forth in divisions (A)(2) to ~~(6)~~ (8) of this section.

(4) The applicant's license is not subject to an order of suspension or ~~revocation~~ an unpaid and past due fine imposed by the superintendent.

(C)(1) Subject to division (C)(2) of this section, if a license renewal application or renewal fee , including any fee required by the nationwide mortgage licensing system and registry, is received by the superintendent after the ~~thirtieth~~ thirty-first day of ~~April~~ December, the license shall not be considered renewed, and the applicant shall cease activity as a loan ~~officer~~ originator.

(2) Division (C)(1) of this section shall not apply if the applicant, no later than the thirty-first day of ~~May~~ January, submits the renewal application and ~~fee~~ fees and a one-hundred-dollar penalty to the superintendent.

(D) Loan originator licenses issued on or after May 1, 2010, annually expire on the thirty-first day of December.

Sec. 1322.05. (A) (1) No registrant shall conduct business in this state,

unless the registrant has obtained and maintains in effect at all times a corporate surety bond issued by a bonding company or insurance company authorized to do business in this state. The bond shall be in favor of the superintendent of financial institutions and in the penal sum of ~~at least~~ one-half per cent of the aggregate loan amount of residential mortgage loans originated in the immediately preceding calendar year, but not exceeding one hundred fifty thousand dollars. Under no circumstances, however, shall the bond be less than fifty thousand dollars and an additional penal sum of ten thousand dollars for each location, in excess of one, at which the registrant conducts business. The term of the bond shall coincide with the term of registration. A copy of the bond shall be filed with the superintendent. The bond shall be for the exclusive benefit of any buyer injured by a violation by an employee of the registrant, ~~licensee~~ loan originator employed by or associated with the registrant, or registrant of any provision of sections 1322.01 to 1322.12 of the Revised Code or any rule adopted thereunder. The aggregate liability of the corporate surety for any and all breaches of the conditions of the bond shall not exceed the penal sum of the bond.

(2)(a) No licensee who is employed by or associated with a person or entity listed in division (G)(2) of section 1322.01 of the Revised Code shall conduct business in this state, unless either the licensee or the person or entity on the licensee's behalf has obtained and maintains in effect at all times a corporate surety bond issued by a bonding company or insurance company authorized to do business in this state. The bond shall be in favor of the superintendent of financial institutions and in the penal sum of one-half per cent of the aggregate loan amount of residential mortgage loans originated in the immediately preceding calendar year, but not exceeding one hundred thousand dollars. Under no circumstances, however, shall the bond be less than fifty thousand dollars. The term of the bond shall coincide with the term of licensure. A copy of the bond shall be filed with the superintendent. The bond shall be for the exclusive benefit of any buyer injured by a violation by the licensee of any provision of sections 1322.01 to 1322.12 of the Revised Code or any rule adopted thereunder. The aggregate liability of the corporate surety for any and all breaches of the conditions of the bond shall not exceed the penal sum of the bond.

(b) Licensees covered by a corporate surety bond obtained by a registrant, or by a person or entity listed in division (G)(2) of section 1322.01 of the Revised Code, they are employed by or associated with shall not be required to obtain an individual bond.

(B)(1) (a) The registrant shall give notice to the superintendent by certified mail of any action that is brought by a buyer against the registrant ~~or~~ , loan ~~officer of the registrant~~ originator, or employee alleging injury by a violation of any provision of sections 1322.01 to 1322.12 of the Revised Code or any rule adopted thereunder, and of any judgment that is entered against the registrant ~~or~~ , loan ~~officer of the registrant~~ originator, or employee by a buyer injured by a violation of any provision of sections 1322.01 to 1322.12 of the Revised Code or any rule adopted thereunder. The notice shall provide details

sufficient to identify the action or judgment, and shall be filed with the superintendent within ten days after the commencement of the action or notice to the registrant of entry of a judgment.

(b) The licensee shall give notice to the superintendent by certified mail of any action that is brought by a buyer against the licensee alleging injury by a violation of any provision of sections 1322.01 to 1322.12 of the Revised Code or any rule adopted thereunder, and of any judgment that is entered against the licensee by a buyer injured by a violation of any provision of sections 1322.01 to 1322.12 of the Revised Code or any rule adopted thereunder. The notice shall provide details sufficient to identify the action or judgment, and shall be filed with the superintendent within ten days after the commencement of the action or notice to the licensee of entry of a judgment. A person or entity listed in division (G)(2) of section 1322.01 of the Revised Code that secures bonding for the licensees employed by or associated with the person or entity shall report such actions or judgments in the same manner as is required of registrants.

(2) A corporate surety, within ten days after it pays any claim or judgment, shall give notice to the superintendent by certified mail of the payment, with details sufficient to identify the person and the claim or judgment paid.

(C) Whenever the penal sum of the corporate surety bond is reduced by one or more recoveries or payments, the registrant or licensee shall furnish a new or additional bond under this section, so that the total or aggregate penal sum of the bond or bonds equals the sum required by this section, or shall furnish an endorsement executed by the corporate surety reinstating the bond to the required penal sum of it.

(D) The liability of the corporate surety on the bond to the superintendent and to any buyer injured by a violation of any provision of sections 1322.01 to 1322.12 of the Revised Code or any rule adopted thereunder shall not be affected in any way by any misrepresentation, breach of warranty, or failure to pay the premium, by any act or omission upon the part of the registrant or licensee, by the insolvency or bankruptcy of the registrant or licensee, or by the insolvency of the registrant's or licensee's estate. The liability for any act or omission that occurs during the term of the corporate surety bond shall be maintained and in effect for at least two years after the date on which the corporate surety bond is terminated or canceled.

(E) The corporate surety bond shall not be canceled by the registrant , the licensee, or the corporate surety except upon notice to the superintendent by certified mail, return receipt requested. The cancellation shall not be effective prior to thirty days after the superintendent receives the notice.

(F) No registrant or licensee employed by or associated with a person or entity listed in division (G)(2) of section 1322.01 of the Revised Code shall fail to comply with this section. Any registrant or licensee that fails to comply with this section shall cease all mortgage broker or loan originator activity in this state until the registrant or licensee complies with this section.

Sec. 1322.051. (A) Each person designated under division (A)(3) of section 1322.03 of the Revised Code to act as operations manager for a mortgage broker business shall submit to ~~an examination~~ a written test approved by the superintendent of financial institutions. An individual shall not be considered to have passed the written test unless the individual achieves a test score of at least seventy-five per cent correct answers to all questions.

(B) Each applicant for a loan ~~officer~~ originator license shall submit to ~~an examination approved by the superintendent~~ a written test that is developed and approved by the nationwide mortgage licensing system and registry and administered by a test provider approved by the nationwide mortgage licensing system and registry based on reasonable standards.

(1) The test shall adequately measure the applicant's knowledge and comprehension in appropriate subject areas, including ethics, federal and state law related to mortgage origination, fraud, consumer protection, and the nontraditional mortgage marketplace, and fair lending issues.

(2) An individual shall not be considered to have passed the written test unless the individual achieves a test score of at least seventy-five per cent correct answers on all questions and at least seventy-five per cent correct answers on all questions relating to state mortgage lending laws and the Ohio consumer sales practices act, Chapter 1345. of the Revised Code, as it applies to registrants and licensees.

(3) An individual may retake the test three consecutive times provided the period between taking the tests is at least thirty days. If an individual fails three consecutive tests, the individual shall be required to wait at least six months before taking the test again.

(4) If a loan originator fails to maintain a valid loan originator license for a period of five years or longer, the individual shall be required to retake the test.

For this purpose, any time during which the individual is a registered loan originator shall not be taken into account.

(C) Notwithstanding division (B) of this section, until the nationwide mortgage licensing system and registry implements a testing process that meets the criteria set forth in that division, the superintendent shall require each applicant to pass a written test acceptable to the superintendent.

Sec. 1322.052. ~~On and after January 1, 2002, each~~ (A) Each licensee and each person designated under division (A)(3) of section 1322.03 of the Revised Code to act as operations manager for a mortgage broker business shall complete at least ~~six~~ eight hours of continuing education every calendar year. To fulfill this requirement, the ~~six~~ eight hours of continuing education must be offered in a course or program of study reviewed and approved by the ~~superintendent of financial institutions~~ nationwide mortgage licensing system and registry. The course or program of study shall include all of the following:

(1) Three hours of applicable federal law and regulations;

(2) Two hours of ethics, which shall include instruction on fraud, consumer protection, and fair lending issues;

(3) Two hours of training related to lending standards for the nontraditional mortgage product marketplace.

(B) Continuing education courses shall be reviewed and approved by the nationwide mortgage licensing system and registry based upon reasonable standards.

(C) The following conditions shall apply to the continuing education required by this section:

(1) An individual cannot take the same approved course in the same or successive years to meet the annual requirement for continuing education.

(2) An individual can only receive credit for a continuing education course in the year in which the course is taken, unless the individual is making up a deficiency in continuing education as permitted by rule or order of the superintendent of financial institutions.

(3) A licensee who subsequently becomes unlicensed must complete the continuing education requirement for the last year in which the license was held prior to the issuance of a new or renewed license.

(4) A licensee who is approved as an instructor of a continuing education course receives credit for the licensee's own annual continuing education requirement at the rate of two credit hours for every one hour taught.

(5) If an individual successfully completed a continuing education course reviewed and approved by the nationwide mortgage licensing system and registry as required by another state, the individual can receive credit toward completion of the continuing education requirement of this state.

(D) Notwithstanding division (A) of this section, until the nationwide mortgage licensing system and registry implements a review and approval process, each licensee or person designated under division (A)(3) of section 1322.03 of the Revised Code shall provide evidence that the licensee or person has successfully completed at least eight hours of continuing education in a course or program of study approved by the superintendent of financial institutions.

Sec. 1322.06. (A) As often as the superintendent of financial institutions considers it necessary, the superintendent may examine the registrant's or licensee's records , including all records created or processed by a licensee, pertaining to business transacted pursuant to sections 1322.01 to 1322.12 of the Revised Code.

(B) A registrant or licensee shall maintain records pertaining to business transacted pursuant to sections 1322.01 to 1322.12 of the Revised Code, including copies of all mortgage loan origination disclosure statements prepared in accordance with section 1322.062 of the Revised Code, for four years. ~~No~~ For

purposes of this division, "registrant or licensee" includes any person whose certificate of registration or license is cancelled, surrendered, or revoked or who otherwise ceases to engage in business as a mortgage broker or loan originator.

No registrant or licensee shall fail to comply with this division.

(C) Each registrant and licensee shall submit to the nationwide mortgage licensing system and registry call reports or other reports of condition, which reports shall be in such form and shall contain such information as the nationwide mortgage licensing system and registry may require.

(D)(1) As required by the superintendent, each registrant shall file with the division of financial institutions an annual report under oath or affirmation, on forms supplied by the division, concerning the business and operations of the registrant for the preceding calendar year. If a registrant operates two or more registered offices, or two or more affiliated registrants operate registered offices, a composite report of the group of registered offices may be filed in lieu of individual reports.

(2) The division shall publish annually an analysis of the information required under division (D)(1) of this section, but the individual reports shall not be public records and shall not be open to public inspection or otherwise be subject to section 149.43 of the Revised Code.

Sec. 1322.061. (A)(1) The following information is confidential:

(a) Examination information, and any information leading to or arising from an examination;

(b) Investigation information, and any information arising from or leading to an investigation.

(2) The information described in division (A)(1) of this section shall remain confidential for all purposes except when it is necessary for the superintendent of financial institutions to take official action regarding the affairs of a registrant or licensee, or in connection with criminal or civil proceedings to be initiated by a prosecuting attorney or the attorney general. This information may also be introduced into evidence or disclosed when and in the manner authorized by section 1181.25 of the Revised Code.

(B) All application information, except social security numbers, employer identification numbers, financial account numbers, the identity of the institution where financial accounts are maintained, personal financial information, fingerprint cards and the information contained on such cards, and criminal background information, is a public record as defined in section 149.43 of the Revised Code.

(C) This section does not prevent the division of financial institutions from releasing to or exchanging with other financial institution regulatory authorities information relating to registrants and licensees. For this purpose, a "financial institution regulatory authority" includes a regulator of a business activity in which a registrant or licensee is engaged, or has applied to engage in,

to the extent that the regulator has jurisdiction over a registrant or licensee engaged in that business activity. A registrant or licensee is engaged in a business activity, and a regulator of that business activity has jurisdiction over the registrant or licensee, whether the registrant or licensee conducts the activity directly or a subsidiary or affiliate of the registrant or licensee conducts the activity.

(D) The superintendent shall, on a regular basis, report violations of sections 1322.01 to 1322.12 of the Revised Code, as well as enforcement actions and other relevant information, to the nationwide mortgage licensing system and registry.

(E)(1) Any confidentiality or privilege arising under federal or state law with respect to any information or material provided to the nationwide mortgage licensing system and registry shall continue to apply to the information or material after the information or material is provided to the nationwide mortgage licensing system and registry. The information and material so provided may be released to any state or federal regulatory official with mortgage industry oversight authority without the loss of confidentiality or privilege protections provided by federal law or the law of any state. Information or material described in division (E)(1) of this section to which confidentiality or privilege applies shall not be subject to any of the following:

(a) Disclosure under any federal or state law governing disclosure to the public of information held by an officer or an agency of the federal government or of the respective state;

(b) Subpoena or discovery, or admission into evidence, in any private civil action or administrative process, unless the person to whom such information or material pertains waives, in whole or in part and at the discretion of the person, any privilege held by the nationwide mortgage licensing system and registry with respect to that information or material.

(2) The superintendent, in order to promote more effective regulation and reduce regulatory burden through supervisory information sharing, may enter into sharing arrangements with other governmental agencies, the conference of state bank supervisors, and the American association of residential mortgage regulators.

(3) Any state law, including section 149.43 of the Revised Code, relating to the disclosure of confidential supervisory information or any information or material described in division (A)(1) or (E)(1) of this section that is inconsistent with this section shall be superseded by the requirements of this section.

(F) This section shall not apply with respect to information or material relating to the employment history of, and publicly adjudicated disciplinary and enforcement actions against, loan originators that is included in the nationwide mortgage licensing system and registry for access by the public.

(G) This section does not prevent the division from releasing information

relating to registrants and licensees to the attorney general, to the superintendent of real estate and professional licensing for purposes relating to the administration of Chapters 4735. and 4763. of the Revised Code, to the superintendent of insurance for purposes relating to the administration of Chapter 3953. of the Revised Code, to the commissioner of securities for purposes relating to the administration of Chapter 1707. of the Revised Code, or to local law enforcement agencies and local prosecutors. Information the division releases pursuant to this section remains confidential.

(H) The superintendent of financial institutions shall, by rule adopted in accordance with Chapter 119. of the Revised Code, establish a process by which loan originators may challenge any information provided to the nationwide mortgage licensing system and registry by the superintendent.

Sec. 1322.062. (A)(1) Within three business days after taking an application for a residential mortgage loan from a buyer, a registrant or licensee shall deliver to the buyer a residential mortgage loan origination disclosure statement that contains all of the following:

(a) The name, address, and telephone number of the buyer;

(b) The typewritten name of the loan ~~officer~~ originator and the number designated on the loan ~~officer's~~ originator's license;

(c) The street address, telephone number, and facsimile number of the registrant and the number designated on the registrant's certificate of registration;

(d) The signature of the loan ~~officer~~ originator or registrant;

(e) A statement indicating whether the buyer is to pay for the services of a bona fide third party if the registrant is unable to assist the buyer in obtaining a mortgage;

(f) A statement that describes the method by which the fee to be paid by the buyer to the registrant will be calculated and a good faith estimate of the total amount of that fee;

(g) A statement that the lender may pay compensation to the registrant;

(h) A description of all the services the registrant has agreed to perform for the buyer;

(i) A statement that the buyer has not entered into an exclusive agreement for brokerage services;

(j) If the residential mortgage loan applied for will exceed ninety per cent of the value of the real property, a statement, printed in boldface type of the minimum size of sixteen points, as follows: "You are applying for a loan that is more than 90% of your home's value. It will be hard for you to refinance this loan. If you sell your home, you might owe more money on the loan than you get from the sale."

(k) To acknowledge receipt, the signature of the buyer.

(2) If the loan is a covered loan as defined in section 1349.25 of the Revised Code, the registrant shall also deliver a copy of the residential mortgage loan origination disclosure statement to the lender.

(B) If there is any change in the information provided under division (A)(1) of this section, the registrant or licensee shall provide the buyer with the revised residential mortgage loan origination disclosure statement and a written explanation of why the change occurred no later than twenty-four hours after the change occurs, or twenty-four hours before the loan is closed, whichever is earlier.

(C) A registrant or licensee shall deliver to the buyer, immediately upon receipt, a copy of any nonproprietary or publicly available credit score and report obtained regarding the buyer by the registrant or licensee for the purpose of the residential mortgage loan application;

If the loan ~~officer~~ originator or registrant uses an automated valuation model to determine an appraisal report, the registrant or licensee also shall include a copy of the automated valuation model report.

(D) A registrant or licensee shall deliver to the buyer, at the same time that the registrant or licensee delivers the residential mortgage loan origination disclosure statement pursuant to division (A) of this section, a good faith estimate statement that discloses the amount of or range of charges for the specific settlement services the buyer is likely to incur in connection with the residential mortgage loan. The good faith estimate statement shall meet the requirements of the "Real Estate Settlement Procedures Act," 88 Stat. 1724 (1974) ~~,~~ , 12 U.S.C.A. 2601 et seq., and shall include the following underlined notice in at least ten -point type, new roman style:

"Nature of Relationship: In connection with this residential mortgage loan, you, the borrower(s), has/have requested assistance from ..... (company name) in arranging credit. We do not distribute all products in the marketplace and cannot guarantee the lowest rate.

Termination: This agreement will continue until one of the following events occur:

1. The loan closes.

2. The request is denied.

3. The borrower withdraws the request.

4. The borrower decides to use another source for origination.

5. The borrower is provided a revised good faith estimate statement.

Notice to borrower(s): Signing this document does not obligate you to obtain a residential mortgage loan through this mortgage originator nor is this a loan commitment or an approval; nor is your interest rate locked at this time unless otherwise disclosed on a separate Rate Lock Disclosure Form. Do not sign this

document until you have read and understood the information in it. You will receive a ~~re-disclosure~~ redisclosure of any increase in interest rate or if the total sum of disclosed settlement/closing costs increases by 10% or more of the original estimate. Should any such increase occur ~~;~~ , mandatory ~~re-disclosure~~ redisclosure must occur prior to the settlement or close of escrow."

(E) No registrant or licensee shall fail to comply with this section.

Sec. 1322.063. (A) In addition to the disclosures required under section 1322.062 of the Revised Code, a registrant or licensee shall, not earlier than three business days nor later than twenty-four hours before a loan is closed, deliver to the buyer a written disclosure that includes the following:

(1) A statement indicating whether property taxes will be escrowed;

(2) A description of what is covered by the regular monthly payment, including principal, interest, taxes, and insurance, as applicable.

(B) No registrant or licensee shall fail to comply with this section.

Sec. 1322.064. (A) No registrant or licensee shall fail to do either of the following:

(1) Timely inform the buyer of any material change in the terms of the residential mortgage loan. For purposes of division (A)(1) of this section, "material change" means the following:

(a) A change in the type of residential mortgage loan being offered, such as a fixed or variable rate loan or a loan with a balloon payment;

(b) A change in the term of the residential mortgage loan, as reflected in the number of monthly payments due before a final payment is scheduled to be made;

(c) A change in the interest rate of more than 0.15%;

(d) A change in the regular total monthly payment ~~of~~ , including principal ~~and~~ , interest , any required mortgage insurance, and any escrowed taxes or property insurance, of more than five per cent;

(e) A change regarding whether the escrow of taxes or insurance is required;

(f) A change regarding ~~the payment of~~ whether private mortgage insurance is required.

(2) Timely inform the buyer if any fees payable by the buyer to the licensee, registrant , or lender increase by more than ten per cent or one hundred dollars, whichever is greater.

(B) The disclosures required by this section shall be deemed timely if the registrant or licensee provides the buyer with the revised information not later than twenty-four hours after the change occurs, or twenty-four hours before the loan is closed, whichever is earlier.

(C) If an increase in the total amount of the fee to be paid by the buyer to the registrant or licensee is not disclosed in accordance with division (A)(2) of this section, the registrant or licensee shall refund to the buyer the amount by which the fee was increased. If the fee is financed into the loan, the registrant or licensee shall also refund to the buyer the interest that would accrue over the term of the loan on that excess amount.

Sec. 1322.065. A person registered as a mortgage broker solely to sell leads of potential buyers to residential mortgage lenders or mortgage brokers, or solely to match buyers with residential mortgage lenders or mortgage brokers through a computerized loan origination system recognized by the United States department of housing and urban development, shall be required to make only those disclosures under sections 1322.01 to 1322.12 of the Revised Code that apply to the portion of the transaction during which they have direct buyer contact, and shall be subject to all fair conduct and prohibition requirements in their dealing with buyers.

Sec. 1322.07. No ~~mortgage broker,~~ registrant, licensee, ~~or applicant for a certificate of registration~~ person required to be registered or ~~license~~ licensed under sections 1322.01 to 1322.12 of the Revised Code , or individual disclosed in an application as required by division (A)(2) of section 1322.03 of the Revised Code shall do any of the following:

(A) Obtain a mortgage broker certificate of registration or loan originator license through any false or fraudulent representation of a material fact or any omission of a material fact required by state law, or make any substantial misrepresentation in any registration or license application;

(B) Make false or misleading statements of a material fact, omissions of statements required by state or federal law, or false promises regarding a material fact, through advertising or other means, or engage in a continued course of misrepresentations;

(C) Engage in conduct that constitutes improper, fraudulent, or dishonest dealings;

(D) Fail to notify the division of financial institutions within thirty days after ~~the registrant, licensee, or applicant, in a court of competent jurisdiction of this state or any other state, is~~ any of the following:

(1) Being convicted of or pleading guilty to a felony in a domestic, foreign, or military court;

(2) Being convicted of or ~~pleads~~ pleading guilty to any criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering, breach of trust, dishonesty, or drug trafficking, or any criminal offense involving money or securities;

(3) Having a mortgage broker certificate of registration or loan originator license, or any comparable authority, revoked in any governmental jurisdiction.

(E) Knowingly make, propose, or solicit fraudulent, false, or misleading statements on any mortgage loan document or on any document related to a mortgage loan, including a mortgage application, real estate appraisal, or real estate settlement or closing document. For purposes of this division, "fraudulent, false, or misleading statements" does not include mathematical errors, inadvertent transposition of numbers, typographical errors, or any other bona fide error.

(F) Knowingly instruct, solicit, propose, or otherwise cause a buyer to sign in blank a mortgage related document;

(G) Knowingly compensate, instruct, induce, coerce, or intimidate, or attempt to compensate, instruct, induce, coerce, or intimidate, a person licensed or certified under Chapter 4763. of the Revised Code for the purpose of corrupting or improperly influencing the independent judgment of the person with respect to the value of the dwelling offered as security for repayment of a mortgage loan;

(H) Promise to refinance a loan in the future at a lower interest rate or with more favorable terms, unless the promise is set forth in writing and is initialed by the buyer ;

(I) Engage in any unfair, deceptive, or unconscionable act or practice prohibited under sections 1345.01 to 1345.13 of the Revised Code.

Sec. 1322.071. (A) As used in this section, "bona fide third party" has the same meaning as in section 1322.08 of the Revised Code.

(B) No mortgage broker, registrant, loan originator, or licensee shall do any of the following:

(1) Retain original documents provided to the mortgage broker, registrant, loan originator, or licensee by the buyer in connection with the residential mortgage loan application, including income tax returns, account statements, or other financial related documents;

(2) Receive, directly or indirectly, a premium on the fees charged for services performed by a bona fide third party;

(3) Pay or receive, directly or indirectly, a referral fee or kickback of any kind to or from a bona fide third party or other party with a related interest in the transaction, ~~such as~~ including a home improvement builder, real estate developer, or real estate broker or agent, for the referral of business.

(C) No registrant, through its operations manager or otherwise, shall fail to do either of the following:

(1) Reasonably supervise a loan originator or other persons associated with the registrant;

(2) Establish reasonable procedures designed to avoid violations of sections 1322.01 to 1322.12 of the Revised Code or rules adopted thereunder, or

violations of applicable state and federal consumer and lending laws or rules, by loan originators or other persons associated with the registrant.

Sec. 1322.072. No person, in connection with any examination or investigation conducted by the superintendent of financial institutions under sections 1322.01 to 1322.12 of the Revised Code, shall knowingly do ~~either~~ any of the following:

(A) Circumvent, interfere with, obstruct, or fail to cooperate, including making a false or misleading statement, failing to produce records, or intimidating or suborning any witness;

(B) Tamper with, alter, or manufacture any evidence ;

(C) Withhold, abstract, remove, mutilate, destroy, or secrete any books, records, computer records, or other information.

Sec. 1322.074. (A) ~~As used in this section and section 1322.075 of the Revised Code:~~

~~(1) "Appraisal company" means a sole proprietorship, partnership, corporation, limited liability company, or any other business entity or association, that employs or retains the services of a person licensed or certified under Chapter 4763. of the Revised Code for purposes of performing residential real estate appraisals for mortgage loans.~~

~~(2) "Immediate family" means a spouse residing in the person's household and any dependent child.~~

~~(B)~~ Except as otherwise provided in division ~~(C)~~ (B) of this section, no registrant, or any member of the ~~registrant's~~ immediate family of an owner of a registrant, shall own or control a majority interest in an appraisal company.

~~(C)~~ (B) Division ~~(B)~~ (A) of this section shall not apply to any registrant, or any member of the ~~registrant's~~ immediate family of an owner of a registrant, who, on the effective date of this ~~section~~ amendment, directly or indirectly owns or controls a majority interest in an appraisal company. However, such ownership or control is subject to the following conditions:

(1) The registrant and members of the ~~registrant's~~ immediate family of an owner of a registrant shall not increase their interest in the company.

(2) The interest is not transferable to a member of the ~~registrant's~~ immediate family of an owner of a registrant.

(3) If the registrant is convicted of or pleads guilty to a criminal violation of sections 1322.01 to 1322.12 of the Revised Code or any criminal offense described in division (A)(1)(b) of section 1322.10 of the Revised Code, the superintendent of financial institutions may, ~~as an alternative~~ in addition to any of the actions authorized under section 1322.10 of the Revised Code, order the registrant or members of the ~~registrant's~~ immediate family of an owner of a registrant to divest their interest in the company.

Sec. 1322.075. (A) No registrant or licensee or person required to be registered or licensed under ~~this chapter~~ sections 1322.01 to 1322.12 of the Revised Code shall refer a buyer to any settlement service provider, including any title insurance company, without providing the buyer with written notice disclosing all of the following:

(1) Any business relationship that exists between the registrant, licensee, or person required to be registered or licensed under ~~this chapter~~ sections 1322.01 to 1322.12 of the Revised Code, and the provider to which the buyer is being referred, and any financial benefit that the registrant, licensee, or person may be provided because of the relationship;

(2) The percentage of ownership interest the registrant, licensee, or person required to be registered or licensed under ~~this chapter~~ sections 1322.01 to 1322.12 of the Revised Code has in the provider to which the buyer is being referred;

(3) The estimated charge or range of charges for the settlement service listed;

(4) The following statement, printed in boldface type of the minimum size of sixteen points: "There are frequently other settlement service providers available with similar services. You are free to shop around to determine that you are receiving the best services and the best rate for these services."

(B) No registrant or licensee shall refer a buyer to an appraisal company, if the registrant or licensee, a member of the immediate family of an owner of the registrant, or a member of the ~~registrant's or~~ licensee's immediate family, has either of the following financial relationships with the appraisal company:

(1) An ownership or investment interest in the company, whether through debt, equity, or other means;

(2) Any compensation arrangement involving any remuneration, directly or indirectly, overtly or covertly, in cash or in kind.

(C) No registrant or licensee shall knowingly enter into an arrangement or scheme, including a cross-referral arrangement, that has a principal purpose of assuring referrals by a registrant or licensee to a particular appraisal company that would violate division (B) of this section.

(D) The registrant, licensee, or person required to be registered or licensed under ~~this chapter~~ sections 1322.01 to 1322.12 of the Revised Code shall retain proof that the buyer received the written disclosures required by division (A) of this section for four years.

Sec. 1322.08. (A) No registrant shall fail to do any of the following:

(1) Maintain a special account;

(2) Deposit into the registrant's special account any bona fide third-party fee the registrant receives;

(3) Pay bona fide third-party fees to a bona fide third party from the registrant's special account.

(B) Except as otherwise provided in ~~this division~~ sections 1322.01 to 1322.12 of the Revised Code, no registrant shall charge or receive, directly or indirectly, fees for assisting a buyer in obtaining a residential mortgage loan, until all of the services that the registrant has agreed to perform for the buyer are completed, and the proceeds of the residential mortgage loan have been disbursed to or on behalf of the buyer. However, prior to completion of such services the following fees may be paid for services performed by a bona fide third party in assisting the buyer to obtain a residential mortgage loan if the fees are either paid directly by the buyer to the bona fide third party or, except as provided in division (B)(5) of this section, the fees are deposited by the registrant into the registrant's special account for services performed by the bona fide third party:

(1) Fees to obtain a report from a credit reporting agency;

(2) Fees for notary services;

(3) Fees for the performance of a title search, appraisal of the real estate, or survey of the real estate;

(4) Fees charged by a lender for locking in an interest rate in connection with obtaining or refinancing a residential mortgage loan, provided that the fees do not exceed an amount equal to one and one-half per cent of the mortgage loan amount;

(5) Fees not exceeding five hundred dollars paid directly by the buyer to a state or federal government agency or instrumentality for purposes of processing a mortgage application relating to a government sponsored or guaranteed mortgage program.

(C) If fees are paid by a buyer for the performance of any of the services described in division (B)(3) of this section and the registrant is unable to assist in obtaining a mortgage for the buyer, the registrant shall return to the buyer the original documents prepared by the bona fide third party at the time that the request for the mortgage is refused or denied. With respect to any appraisal, however, the registrant may return either the original or a copy. No registrant shall fail to comply with this division.

(D) For purposes of this section:

(1) "Bona fide third party" means a person that is not an employee of, related to, or affiliated with, the registrant, and that is not used for the purpose of circumvention or evasion of this section.

(2) "Special account" means ~~a~~ an insured depository account with a ~~financial~~ depository institution ~~, the deposits of which are insured by the federal deposit insurance corporation,~~ that is separate and distinct from any personal or other account of the registrant, and that is maintained solely for the holding and

payment of fees described in this section for services performed by bona fide third parties and received by the registrant from buyers that the registrant assists in obtaining mortgages.

Sec. 1322.081. (A) A registrant, licensee, and any person required to be registered or licensed under ~~this chapter~~ sections 1322.01 to 1322.12 of the Revised Code, in addition to duties imposed by other statutes or common law, shall do all of the following:

(1) Safeguard and account for any money handled for the ~~borrower~~ buyer;

(2) Follow reasonable and lawful instructions from the ~~borrower~~ buyer;

(3) Act with reasonable skill, care, and diligence;

(4) Act in good faith and with fair dealing in any transaction, practice, or course of business in connection with the brokering or originating of any residential mortgage loan;

(5) Make reasonable efforts to secure a residential mortgage loan, from lenders with whom the registrant, licensee, or person regularly does business, with rates, charges, and repayment terms that are advantageous to the ~~borrower~~ buyer.

(B) Division (A) of this section shall not apply to wholesale lenders. However, wholesale lenders are subject to all other requirements applicable to mortgage brokers and nonbank mortgage lenders. For purposes of this division, "wholesale lender" means a company that has been issued a mortgage broker certificate of registration and that enters into transactions with buyers exclusively through unaffiliated third-party mortgage brokers.

(C) The duties and standards of care created in this section cannot be waived or modified.

(D)(1) A buyer injured by a violation of this section may bring an action for recovery of damages.

(2) Damages awarded under division (D)(1) of this section shall not be less than all compensation paid directly or indirectly to a mortgage broker from any source, plus reasonable attorney's fees and court costs.

(3) The buyer may be awarded punitive damages.

(E) A buyer injured by a violation of this section is precluded from recovering any damages, plus reasonable attorney's fees and costs, if the buyer has also recovered any damages in a cause of action initiated under section 1322.11 of the Revised Code and the recovery of damages for a violation of this section is based on the same acts or circumstances as the basis for recovery of damages in section 1322.11 of the Revised Code.

Sec. 1322.09. (A) A mortgage broker or loan originator shall disclose in any printed, televised, broadcast, electronically transmitted, or published

advertisement relating to the mortgage broker's or loan originator's services, including on any electronic site accessible through the internet, the name and street address of the mortgage broker or loan originator and the number designated on the certificate of registration or license that is issued to the mortgage broker or loan originator by the superintendent of financial institutions under sections 1322.01 to 1322.12 of the Revised Code.

(B) In making any advertisement, a mortgage broker shall comply with 12 C.F.R. 226.16, as amended.

(C) No mortgage broker or loan originator shall fail to comply with this section.

Sec. 1322.10. (A) After notice and opportunity for a hearing conducted in accordance with Chapter 119. of the Revised Code, the superintendent of financial institutions may do the following:

(1) Suspend, revoke, or refuse to issue or renew a certificate of registration or license if the superintendent finds ~~either~~ any of the following:

(a) A violation of or failure to comply with any provision of sections 1322.01 to 1322.12 of the Revised Code or the rules adopted under those sections , federal lending law, or any other law applicable to the business conducted under a certificate of registration or license;

(b) A conviction of or guilty plea to a felony in a domestic, foreign, or military court;

(c) A conviction of or guilty plea to any criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering, breach of trust, dishonesty, or drug trafficking, or any criminal offense involving money or securities , in a domestic, foreign, or military court;

(d) The revocation of a mortgage broker certificate of registration or loan originator license, or any comparable authority, in any governmental jurisdiction.

(2) Impose a fine of not more than one thousand dollars, for each day a violation of a law or rule is committed, repeated, or continued. If the registrant or licensee engages in a pattern of repeated violations of a law or rule, the superintendent may impose a fine of not more than two thousand dollars for each day the violation is committed, repeated, or continued. All fines collected pursuant to this division shall be paid to the treasurer of state to the credit of the consumer finance fund created in section 1321.21 of the Revised Code. In determining the amount of a fine to be imposed pursuant to this division, the superintendent ~~shall~~ may consider all of the following , to the extent known by the division of financial institutions:

(a) The seriousness of the violation;

(b) The registrant's or licensee's good faith efforts to prevent the

violation;

(c) The registrant's or licensee's history regarding violations and compliance with division orders;

(d) The registrant's or licensee's financial resources;

(e) Any other matters the superintendent considers appropriate in enforcing sections 1322.01 to 1322.12 of the Revised Code.

(B) The superintendent may investigate alleged violations of sections 1322.01 to 1322.12 of the Revised Code or the rules adopted under those sections or complaints concerning any ~~such~~ violation. ~~The~~

(1) The superintendent may make application to the court of common pleas for an order enjoining any ~~such~~ violation ~~,~~ and, upon a showing by the superintendent that a person has committed or is about to commit ~~such a~~ that violation, the court shall grant an injunction, restraining order, or other appropriate relief.

(2) The superintendent may make application to the court of common pleas for an order enjoining any person from acting as a mortgage broker, registrant, loan originator, or licensee in violation of division (A) or (B) of section 1322.02 of the Revised Code, and may seek and obtain civil penalties for unregistered or unlicensed conduct of not more than five thousand dollars per violation.

(C) In conducting any investigation pursuant to this section, the superintendent may compel, by subpoena, witnesses to testify in relation to any matter over which the superintendent has jurisdiction and may require the production of any book, record, or other document pertaining to that matter. If a person fails to file any statement or report, obey any subpoena, give testimony, produce any book, record, or other document as required by a subpoena, or permit photocopying of any book, record, or other document subpoenaed, the court of common pleas of any county in this state, upon application made to it by the superintendent, shall compel obedience by attachment proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued from the court or a refusal to testify therein.

(D) If the superintendent determines that a person is engaged in or is believed to be engaged in activities that may constitute a violation of sections 1322.01 to 1322.12 of the Revised Code or any rule adopted thereunder, the superintendent, after notice and a hearing conducted in accordance with Chapter 119. of the Revised Code, may issue a cease and desist order. If the administrative action is to enjoin a person from acting as a mortgage broker or loan originator in violation of division (A) or (B) of section 1322.02 of the Revised Code, the superintendent may seek and impose fines for that conduct in an amount not to exceed five thousand dollars per violation. Such an order shall be enforceable in the court of common pleas.

(E) If the superintendent revokes ~~the~~ a mortgage broker certificate of

registration or loan originator license ~~of a registrant or licensee who is convicted of or pleads guilty to a criminal violation of any provision of sections 1322.01 to 1322.12 of the Revised Code or any criminal offense described in division (A)(1)(b) of this section~~, the revocation shall be permanent and with prejudice.

(F)(1) To protect the public interest, the superintendent may, without a prior hearing, do any of the following:

(a) Suspend the mortgage broker certificate of registration or loan originator license of a registrant or licensee who is convicted of or pleads guilty to a criminal violation of any provision of sections 1322.01 to 1322.12 of the Revised Code or any criminal offense described in division (A)(1)(b) or (c) of this section;

(b) Suspend the mortgage broker certificate of registration of a registrant who violates division (F) of section 1322.05 of the Revised Code;

(c) Suspend the mortgage broker certificate of registration or loan originator license of a registrant or licensee who fails to comply with a request made by the superintendent under section 1322.03 or 1322.031 of the Revised Code to inspect qualifying education transcripts located at the registrant's or licensee's place of business.

(2) The superintendent ~~shall, without a prior hearing, suspend the certificate of registration of a registrant whose operations manager has failed to fulfill the continuing education requirements of section 1322.052 of the Revised Code and suspend the license of a licensee who has failed to fulfill those continuing education requirements. The suspension shall continue until such time as the required continuing education is completed and a fine of five hundred dollars is paid to the treasurer of state to the credit of the consumer finance fund.~~

~~(3) The superintendent~~ may, in accordance with Chapter 119. of the Revised Code, subsequently revoke any registration or license suspended under division (F)(1) of this section.

~~(4)~~ (3) The superintendent shall, in accordance with Chapter 119. of the Revised Code, adopt rules establishing the maximum amount of time a suspension under division (F) (1) of this section may continue before a hearing is conducted.

(G) The imposition of fines under this section does not preclude any penalty imposed under section 1322.99 of the Revised Code.

Sec. 1322.11. (A)(1) A buyer injured by a violation of section 1322.02, 1322.062, 1322.063, 1322.064, 1322.07, 1322.071, 1322.08, or 1322.09 of the Revised Code may bring an action for recovery of damages.

(2) Damages awarded under division (A)(1) of this section shall not be less than all compensation paid directly and indirectly to a mortgage broker or loan originator from any source, plus reasonable attorney's fees and court costs.

(3) The buyer may be awarded punitive damages.

(B)(1) The superintendent of financial institutions or a buyer may directly bring an action to enjoin a violation of sections 1322.01 to 1322.12 of the Revised Code. The attorney general may directly bring an action to enjoin a violation of sections 1322.01 to 1322.12 of the Revised Code with the same rights, privileges, and powers as those described in section 1345.06 of the Revised Code. The prosecuting attorney of the county in which the action may be brought may bring an action to enjoin a violation of sections 1322.01 to 1322.12 of the Revised Code only if the prosecuting attorney first presents any evidence of the violation to the attorney general and, within a reasonable period of time, the attorney general has not agreed to bring the action.

(2) The superintendent may initiate criminal proceedings under sections 1322.01 to 1322.12 of the Revised Code by presenting any evidence of criminal violation to the prosecuting attorney of the county in which the offense may be prosecuted. If the prosecuting attorney does not prosecute the violations, or at the request of the prosecuting attorney, the superintendent shall present any evidence of criminal violations to the attorney general, who may proceed in the prosecution with all the rights, privileges, and powers conferred by law on prosecuting attorneys, including the power to appear before grand juries and to interrogate witnesses before such grand juries. These powers of the attorney general shall be in addition to any other applicable powers of the attorney general.

(3) The prosecuting attorney of the county in which an alleged offense may be prosecuted may initiate criminal proceedings under sections 1322.01 to 1322.12 of the Revised Code.

(4) In order to initiate criminal proceedings under sections 1322.01 to 1322.12 of the Revised Code, the attorney general shall first present any evidence of criminal violations to the prosecuting attorney of the county in which the alleged offense may be prosecuted. If, within a reasonable period of time, the prosecuting attorney has not agreed to prosecute the violations, the attorney general may proceed in the prosecution with all the rights, privileges, and powers described in division (B)(2) of this section.

(5) When a judgment under this section becomes final, the clerk of court shall mail a copy of the judgment, including supporting opinions, to the superintendent.

(C) The remedies provided by this section are in addition to any other remedy provided by law.

(D) In any proceeding or action brought under sections 1322.01 to 1322.12 of the Revised Code, the burden of proving an exemption under those sections is on the person claiming the benefit of the exemption.

(E) No person shall be deemed to violate sections 1322.01 to 1322.12 of the Revised Code with respect to any act taken or omission made in reliance on a written notice, written interpretation, or written report from the superintendent, unless there is a subsequent amendment to those sections, or rules promulgated

thereunder, that affects the superintendent's notice, interpretation, or report.

(F) Upon disbursement of mortgage loan proceeds to or on behalf of the buyer, the registrant that assisted the buyer to obtain the mortgage loan is deemed to have completed the performance of the registrant's services for the buyer and owes no additional duties or obligations to the buyer with respect to the mortgage loan. However, nothing in this division shall be construed to limit or preclude the civil or criminal liability of a registrant for failing to comply with sections 1322.01 to 1322.12 of the Revised Code or any rule adopted under those sections, for failing to comply with any provision of or duty arising under an agreement with a buyer or lender under sections 1322.01 to 1322.12 of the Revised Code, or for violating any other provision of state or federal law.

(G) A buyer injured by a violation of any of the sections specified in division (A)(1) of this section is precluded from recovering any damages, plus reasonable attorney's fees and costs, if the buyer has also recovered any damages in a cause of action initiated under section 1322.081 of the Revised Code and the recovery of damages for a violation of any of the sections specified in division (A)(1) of this section is based on the same acts or circumstances as the basis for recovery of damages in section 1322.081 of the Revised Code.

Sec. 1322.99. (A) Whoever violates division (A)(1) or (2) of section 1322.02, division (E), (F), or (G) of section 1322.07, division (B)(1) or (2) of section 1322.071, or section 1322.08 of the Revised Code is guilty of a felony of the fifth degree.

(B) Whoever violates division (B)(3) of section 1322.071 of the Revised Code is guilty of a felony of the fourth degree.

(C) Whoever violates division (B) or (C)(2) of section 1322.02 of the Revised Code is guilty of a misdemeanor of the first degree."

Between lines 22542 and 22543, insert:

"**Sec. 1343.011.** (A) As used in this section:

(1) "Discount points" means any charges, whether or not actually denominated as "discount points," that are paid by the seller or the buyer of residential real property to a residential mortgage lender or that are deducted and retained by a residential mortgage lender from the proceeds of the residential mortgage. "Discount points" does not include the costs associated with settlement services as defined in the "Real Estate Settlement Procedures Act of 1974," 88 Stat. 1724, 12 U.S.C. 2601, amendments thereto, reenactments thereof, enactments parallel thereto, or in substitution therefor, or regulations issued thereunder.

(2) "Residential mortgage" means an obligation to pay a sum of money evidenced by a note and secured by a lien upon real property located within this state containing two or fewer residential units or on which two or fewer residential units are to be constructed and includes such an obligation on a residential condominium or cooperative unit.

(3) "Residential mortgage lender" means any person, bank, or savings and loan association that lends money or extends or grants credit and obtains a residential mortgage to assure payment of the debt. The term also includes the holder at any time of a residential mortgage obligation.

(B) Except residential mortgage loans described in division (B)(3) of section 1343.01 of the Revised Code, no residential mortgage lender shall receive either directly or indirectly from a seller or buyer of real estate any discount points in excess of two per cent of the original principal amount of the residential mortgage. This division is not a limitation on discount points or other charges for purposes of section 501(b)(4) of the "Depository Institutions Deregulation and Monetary Control Act of 1980," 94 Stat. 161, 12 U.S.C.A. 1735f-7a.

(C)(1) Except as provided in division (C)(2) of this section, residential mortgage obligations may be prepaid or refinanced without penalty at any time after five years from the execution date of the mortgage. Prior to such time a prepayment or refinancing penalty may be provided not in excess of one per cent of the original principal amount of the residential mortgage.

(2)(a) No penalty may be charged for the prepayment or refinancing of a residential mortgage obligation of less than seventy-five thousand dollars that is made or arranged by a mortgage broker, loan ~~officer~~ originator, or nonbank mortgage lender, as those terms are defined in section 1345.01 of the Revised Code, and that is secured by a mortgage on a borrower's real estate that is a first lien on the real estate.

(b) The amount specified in division (C)(2)(a) of this section shall be adjusted annually on the first day of January by the annual percentage change in the consumer price index for all urban consumers, midwest region, all items, as determined by the bureau of labor statistics of the United States department of labor or, if that index is no longer published, a generally available comparable index, as reported on the first day of June of the year preceding the adjustment. The department of commerce shall publish the adjusted amounts on its official web site.

Sec. 1345.01. As used in sections 1345.01 to 1345.13 of the Revised Code:

(A) "Consumer transaction" means a sale, lease, assignment, award by chance, or other transfer of an item of goods, a service, a franchise, or an intangible, to an individual for purposes that are primarily personal, family, or household, or solicitation to supply any of these things. "Consumer transaction" does not include transactions between persons, defined in sections 4905.03 and 5725.01 of the Revised Code, and their customers, except for transactions involving a loan made pursuant to sections 1321.35 to 1321.48 of the Revised Code and transactions in connection with residential mortgages between loan ~~officers~~ originators, mortgage brokers, or nonbank mortgage lenders and their customers; transactions between certified public accountants or public

accountants and their clients; transactions between attorneys, physicians, or dentists and their clients or patients; and transactions between veterinarians and their patients that pertain to medical treatment but not ancillary services.

(B) "Person" includes an individual, corporation, government, governmental subdivision or agency, business trust, estate, trust, partnership, association, cooperative, or other legal entity.

(C) "Supplier" means a seller, lessor, assignor, franchisor, or other person engaged in the business of effecting or soliciting consumer transactions, whether or not the person deals directly with the consumer. If the consumer transaction is in connection with a residential mortgage, "supplier" does not include an assignee or purchaser of the loan for value, except as otherwise provided in section 1345.091 of the Revised Code. For purposes of this division, in a consumer transaction in connection with a residential mortgage, "seller" means a loan ~~officer~~ originator, mortgage broker, or nonbank mortgage lender.

(D) "Consumer" means a person who engages in a consumer transaction with a supplier.

(E) "Knowledge" means actual awareness, but such actual awareness may be inferred where objective manifestations indicate that the individual involved acted with such awareness.

(F) "Natural gas service" means the sale of natural gas, exclusive of any distribution or ancillary service.

(G) "Public telecommunications service" means the transmission by electromagnetic or other means, other than by a telephone company as defined in section 4927.01 of the Revised Code, of signs, signals, writings, images, sounds, messages, or data originating in this state regardless of actual call routing. "Public telecommunications service" excludes a system, including its construction, maintenance, or operation, for the provision of telecommunications service, or any portion of such service, by any entity for the sole and exclusive use of that entity, its parent, a subsidiary, or an affiliated entity, and not for resale, directly or indirectly; the provision of terminal equipment used to originate telecommunications service; broadcast transmission by radio, television, or satellite broadcast stations regulated by the federal government; or cable television service.

(H) "Loan ~~officer~~ originator" has the same meaning as in section 1322.01 of the Revised Code, and includes a "mortgage loan originator" as defined in section 1321.51 of the Revised Code, except that it does not include an employee of a bank, savings bank, savings and loan association, credit union, or credit union service organization organized under the laws of this state, another state, or the United States; an employee of a subsidiary of such a bank, savings bank, savings and loan association, or credit union; or an employee of an affiliate that (1) controls, is controlled by, or is under common control with, such a bank, savings bank, savings and loan association, or credit union and (2) is subject to examination, supervision, and regulation, including with respect to the affiliate's

compliance with applicable consumer protection requirements, by the board of governors of the federal reserve system, the comptroller of the currency, the office of thrift supervision, the federal deposit insurance corporation, or the national credit union administration.

(I) "Residential mortgage" or "mortgage" means an obligation to pay a sum of money evidenced by a note and secured by a lien upon real property located within this state containing two or fewer residential units or on which two or fewer residential units are to be constructed and includes such an obligation on a residential condominium or cooperative unit.

(J) "Mortgage broker" has the same meaning as in section 1322.01 of the Revised Code, except that it does not include a bank, savings bank, savings and loan association, credit union, or credit union service organization organized under the laws of this state, another state, or the United States; a subsidiary of such a bank, savings bank, savings and loan association, or credit union; an affiliate that (1) controls, is controlled by, or is under common control with, such a bank, savings bank, savings and loan association, or credit union and (2) is subject to examination, supervision, and regulation, including with respect to the affiliate's compliance with applicable consumer protection requirements, by the board of governors of the federal reserve system, the comptroller of the currency, the office of thrift supervision, the federal deposit insurance corporation, or the national credit union administration; or an employee of any such entity.

(K) "Nonbank mortgage lender" means any person that engages in a consumer transaction in connection with a residential mortgage, except for a bank, savings bank, savings and loan association, credit union, or credit union service organization organized under the laws of this state, another state, or the United States; a subsidiary of such a bank, savings bank, savings and loan association, or credit union; or an affiliate that (1) controls, is controlled by, or is under common control with, such a bank, savings bank, savings and loan association, or credit union and (2) is subject to examination, supervision, and regulation, including with respect to the affiliate's compliance with applicable consumer protection requirements, by the board of governors of the federal reserve system, the comptroller of the currency, the office of thrift supervision, the federal deposit insurance corporation, or the national credit union administration.

(L) For purposes of divisions (H), (J), and (K) of this section:

(1) "Control" of another entity means ownership, control, or power to vote twenty-five per cent or more of the outstanding shares of any class of voting securities of the other entity, directly or indirectly or acting through one or more other persons.

(2) "Credit union service organization" means a CUSO as defined in 12 C.F.R. 702.2.

Sec. 1345.05. (A) The attorney general shall:

(1) Adopt, amend, and repeal procedural rules;

(2) Adopt as a rule a description of the organization of the attorney general's office, stating the general courses and methods of operation of the section of the office of the attorney general, which is to administer Chapter 1345. of the Revised Code and methods whereby the public may obtain information or make submissions or requests, including a description of all forms and instructions used by that office;

(3) Make available for public inspection all rules and all other written statements of policy or interpretations adopted or used by the attorney general in the discharge of the attorney general's functions, together with all judgments, including supporting opinions, by courts of this state that determine the rights of the parties and concerning which appellate remedies have been exhausted, or lost by the expiration of the time for appeal, determining that specific acts or practices violate section 1345.02, 1345.03, or 1345.031 of the Revised Code;

(4) Inform consumers and suppliers on a continuing basis of acts or practices that violate Chapter 1345. of the Revised Code by, among other things, publishing an informational document describing acts and practices in connection with residential mortgages that are unfair, deceptive, or unconscionable, and by making that information available on the attorney general's official web site;

(5) Cooperate with state and local officials, officials of other states, and officials of the federal government in the administration of comparable statutes;

(6) Report annually on or before the first day of January to the governor and the general assembly on the operations of the attorney general in respect to Chapter 1345. of the Revised Code, and on the acts or practices occurring in this state that violate such chapter. The report shall include a statement of investigatory and enforcement procedures and policies, of the number of investigations and enforcement proceedings instituted and of their disposition, and of other activities of the state and of other persons to promote the purposes of Chapter 1345. of the Revised Code.

(7) In carrying out official duties, the attorney general shall not disclose publicly the identity of suppliers investigated or the facts developed in investigations unless these matters have become a matter of public record in enforcement proceedings, in public hearings conducted pursuant to division (B)(1) of this section, or the suppliers investigated have consented in writing to public disclosure.

(B) The attorney general may:

(1) Conduct research, make inquiries, hold public hearings, and publish studies relating to consumer transactions;

(2) Adopt, amend, and repeal substantive rules defining with reasonable specificity acts or practices that violate sections 1345.02, 1345.03, and 1345.031 of the Revised Code. In adopting, amending, or repealing substantive rules

defining acts or practices that violate section 1345.02 of the Revised Code, due consideration and great weight shall be given to federal trade commission orders, trade regulation rules and guides, and the federal courts' interpretations of subsection 45 (a)(1) of the "Federal Trade Commission Act," 38 Stat. 717 (1914), 15 U.S.C.A. 41, as amended.

In adopting, amending, or repealing such rules concerning a consumer transaction in connection with a residential mortgage, the attorney general shall consult with the superintendent of financial institutions and shall give due consideration to state and federal statutes, regulations, administrative agency interpretations, and case law.

(C) In the conduct of public hearings authorized by this section, the attorney general may administer oaths, subpoena witnesses, adduce evidence, and require the production of relevant material. Upon failure of a person without lawful excuse to obey a subpoena or to produce relevant matter, the attorney general may apply to a court of common pleas for an order compelling compliance.

(D) The attorney general may request that an individual who refuses to testify or to produce relevant material on the ground that the testimony or matter may incriminate the individual be ordered by the court to provide the testimony or matter. With the exception of a prosecution for perjury and an action for damages under section 1345.07 or 1345.09 of the Revised Code, an individual who complies with a court order to provide testimony or matter, after asserting a privilege against self incrimination to which the individual is entitled by law, shall not be subjected to a criminal proceeding on the basis of the testimony or matter discovered through that testimony or matter.

(E) Any person may petition the attorney general requesting the adoption, amendment, or repeal of a rule. The attorney general shall prescribe by rule the form for such petitions and the procedure for their submission, consideration, and disposition. Within sixty days of submission of a petition, the attorney general shall either deny the petition in writing, stating the reasons for the denial, or initiate rule-making proceedings. There is no right to appeal from such denial of a petition.

(F) All rules shall be adopted subject to Chapter 119. of the Revised Code.

(G) The informational document published in accordance with division (A)(4) of this section shall be made available for distribution to consumers who are applying for a mortgage loan. An acknowledgement of receipt shall be retained by the lender, mortgage broker, and loan ~~officer~~ originator, as applicable, subject to review by the attorney general and the department of commerce.

Sec. 1345.09. For a violation of Chapter 1345. of the Revised Code, a consumer has a cause of action and is entitled to relief as follows:

(A) Where the violation was an act prohibited by section 1345.02, 1345.03, or 1345.031 of the Revised Code, the consumer may, in an individual action, rescind the transaction or recover the consumer's actual economic damages plus an amount not exceeding five thousand dollars in noneconomic damages.

(B) Where the violation was an act or practice declared to be deceptive or unconscionable by rule adopted under division (B)(2) of section 1345.05 of the Revised Code before the consumer transaction on which the action is based, or an act or practice determined by a court of this state to violate section 1345.02, 1345.03, or 1345.031 of the Revised Code and committed after the decision containing the determination has been made available for public inspection under division (A)(3) of section 1345.05 of the Revised Code, the consumer may rescind the transaction or recover, but not in a class action, three times the amount of the consumer's actual economic damages or two hundred dollars, whichever is greater, plus an amount not exceeding five thousand dollars in noneconomic damages or recover damages or other appropriate relief in a class action under Civil Rule 23, as amended.

(C)(1) Except as otherwise provided in division (C)(2) of this section, in any action for rescission, revocation of the consumer transaction must occur within a reasonable time after the consumer discovers or should have discovered the ground for it and before any substantial change in condition of the subject of the consumer transaction.

(2) If a consumer transaction between a loan ~~officer~~ originator, mortgage broker, or nonbank mortgage lender and a customer is in connection with a residential mortgage, revocation of the consumer transaction in an action for rescission is only available to a consumer in an individual action, and shall occur for no reason other than one or more of the reasons set forth in the "Truth in Lending Act," 82 Stat. 146 (1968), 15 U.S.C. 1635, not later than the time limit within which the right of rescission under section 125(f) of the "Truth in Lending Act" expires.

(D) Any consumer may seek a declaratory judgment, an injunction, or other appropriate relief against an act or practice that violates this chapter.

(E) When a consumer commences an individual action for a declaratory judgment or an injunction or a class action under this section, the clerk of court shall immediately mail a copy of the complaint to the attorney general. Upon timely application, the attorney general may be permitted to intervene in any private action or appeal pending under this section. When a judgment under this section becomes final, the clerk of court shall mail a copy of the judgment including supporting opinions to the attorney general for inclusion in the public file maintained under division (A)(3) of section 1345.05 of the Revised Code.

(F) The court may award to the prevailing party a reasonable attorney's fee limited to the work reasonably performed, if either of the following apply:

(1) The consumer complaining of the act or practice that violated this

chapter has brought or maintained an action that is groundless, and the consumer filed or maintained the action in bad faith;

(2) The supplier has knowingly committed an act or practice that violates this chapter.

(G) As used in this section, "actual economic damages" means damages for direct, incidental, or consequential pecuniary losses resulting from a violation of Chapter 1345. of the Revised Code and does not include damages for noneconomic loss as defined in section 2315.18 of the Revised Code.

(H) Nothing in this section shall preclude a consumer from also proceeding with a cause of action under any other theory of law."

Between lines 22595 and 22596, insert:

"**Sec. 1349.31.** (A)(1) No creditor shall willfully and knowingly fail to comply with section 1349.26 or 1349.27 of the Revised Code. For purposes of division (A)(1) of this section, "willfully and knowingly" has the same meaning as in section 112 of the "Truth in Lending Act," 82 Stat. 146 (1968), 15 U.S.C.A. 1611, as amended.

(2) Whoever violates division (A)(1) of this section is guilty of a felony of the fifth degree.

(B) The superintendent of financial institutions may directly bring an action to enjoin a violation of this section. The attorney general may directly bring an action against a mortgage broker, loan ~~officer~~ originator, or nonbank mortgage lender to enjoin a violation of this section with the same rights, privileges, and powers as those described in section 1345.06 of the Revised Code. The prosecuting attorney of the county in which the action may be brought may bring an action against a mortgage broker, loan ~~officer~~ originator, or nonbank mortgage lender to enjoin a violation of this section only if the prosecuting attorney first presents any evidence of the violation to the attorney general and, within a reasonable period of time, the attorney general has not agreed to bring the action.

For purposes of this division, "loan ~~officer~~ originator," "mortgage broker," and "nonbank mortgage lender" have the same meanings as in section 1345.01 of the Revised Code.

(C)(1) The superintendent of financial institutions may initiate criminal proceedings under this section by presenting any evidence of criminal violations to the prosecuting attorney of the county in which the offense may be prosecuted. If the prosecuting attorney does not prosecute the violations, or at the request of the prosecuting attorney, the superintendent shall present any evidence of criminal violations to the attorney general, who may proceed in the prosecution with all the rights, privileges, and powers conferred by law on prosecuting attorneys, including the power to appear before grand juries and to interrogate witnesses before such grand juries. These powers of the attorney general shall be in addition to any other applicable powers of the attorney

general.

(2) The prosecuting attorney of the county in which an alleged offense may be prosecuted may initiate criminal proceedings under this section.

(3) In order to initiate criminal proceedings under this section, the attorney general shall first present any evidence of criminal violations to the prosecuting attorney of the county in which the alleged offense may be prosecuted. If, within a reasonable period of time, the prosecuting attorney has not agreed to prosecute the violations, the attorney general may proceed in the prosecution with all the rights, privileges, and powers described in division (C)(1) of this section.

Sec. 1349.43. (A) As used in this section, "loan ~~officer~~ originator," "mortgage broker," and "nonbank mortgage lender" have the same meanings as in section 1345.01 of the Revised Code.

(B) The department of commerce shall establish and maintain an electronic database accessible through the internet that contains information on all of the following:

(1) The enforcement actions taken by the superintendent of financial institutions for each violation of or failure to comply with any provision of sections 1322.01 to 1322.12 of the Revised Code, upon final disposition of the action;

(2) The enforcement actions taken by the attorney general under Chapter 1345. of the Revised Code against loan ~~officers~~ originators, mortgage brokers, and nonbank mortgage lenders, upon final disposition of each action;

(3) All judgments by courts of this state, concerning which appellate remedies have been exhausted or lost by the expiration of the time for appeal, finding either of the following:

(a) A violation of any provision of sections 1322.01 to 1322.12 of the Revised Code;

(b) That specific acts or practices by a loan ~~officer~~ originator, mortgage broker, or nonbank mortgage lender violate section 1345.02, 1345.03, or 1345.031 of the Revised Code.

(C) The attorney general shall submit to the department, on the first day of each January, April, July, and October, a list of all enforcement actions and judgments described in divisions (B)(2) and (3)(b) of this section.

(D) The department may adopt rules in accordance with Chapter 119. of the Revised Code that are necessary to implement this section.

(E) The electronic database maintained by the department in accordance with this section shall not include information that, pursuant to section 1322.061 of the Revised Code, is confidential."

Between lines 27282 and 27283, insert:

" **Sec. 1733.252.** (A) As used in this section, "nationwide mortgage licensing system and registry" has the same meaning as in section 1322.01 of the Revised Code.

(B) Subject to division (C) of this section, each credit union, the subsidiaries of the credit union, and the loan originators employed by the credit union, shall comply with the "Secure and Fair Enforcement for Mortgage Licensing Act of 2008," 122 Stat. 2810, 12 U.S.C. 5101, and register with the nationwide mortgage licensing system and registry.

(C) Compliance by a credit union insured by a credit union share guaranty corporation established under Chapter 1761. of the Revised Code, the subsidiaries of the credit union, and the loan originators employed by the credit union shall be determined by rules adopted by the superintendent of financial institutions in accordance with Chapter 119. of the Revised Code. At a minimum, the rules shall require loan originators to furnish to the nationwide mortgage licensing system and registry information concerning the loan originator's identity and be consistent with the requirements for federally insured credit unions adopted by the national credit union administration pursuant to the "Secure and Fair Enforcement for Mortgage Licensing Act of 2008."

Sec. 1733.26. (A) The credit committee may be delegated the authority to appoint one or more loan officers, and delegate to them power to approve loans within limits fixed by the regulations, bylaws, or resolutions of the board of directors. If the regulations so provide, the board may appoint one or more loan officers, and delegate to them the power to approve loans within limits fixed by the regulations, bylaws, or resolutions of the board. The authority of loan officers may also be further restricted by policies established by the credit committee or the board. Such loan officers also may be loan originators registered with the nationwide mortgage licensing system and registry as provided in section 1733.252 of the Revised Code.

(B) Each loan officer appointed pursuant to division (A) of this section shall, within seven days of the filing of each loan application received by ~~him~~ the loan officer from a member or by referral from another officer, furnish to the credit committee or to the board, whichever is applicable, a record of such application and ~~his~~ the loan officer's disposition or recommendation for disposition of it. No person shall have authority to disburse funds of the credit union for any loan which has been approved by ~~him~~ the loan officer in ~~his~~ the capacity as a loan officer.

(C) If the regulations provide for a credit committee, all applications for loans not approved by a loan officer may be reviewed by the credit committee, and the approval of the majority of the members of the committee who are present at the meeting when the review is undertaken shall be required to reverse the decision of the loan officer, provided that a majority of the full committee is present.

In the absence of a credit committee, the board shall, upon the written

request of a member, review a loan application denied by a loan officer."

In line 90822, after "955.201," insert "1321.20, 1321.51, 1321.52, 1321.53, 1321.54, 1321.55, 1321.551, 1321.57, 1321.59, 1321.60, 1321.99, 1322.01, 1322.02,"

In line 90823, after "1322.041," insert "1322.05, 1322.051, 1322.052, 1322.06, 1322.061, 1322.062, 1322.063, 1322.064, 1322.07, 1322.071, 1322.072, 1322.074, 1322.075, 1322.08, 1322.081, 1322.09, 1322.10, 1322.11, 1322.99,"; after "1332.25," insert "1343.011, 1345.01, 1345.05, 1345.09,"; after "1349.22," insert "1349.31, 1349.43,"

In line 90834, after "1721.211," insert "1733.26,"

Between lines 105571 and 105572, insert:

"**Section 745.60.** (A) Sections 1321.20, 1321.51, 1321.52, 1321.521, 1321.522, 1321.53, 1321.531, 1321.532, 1321.533, 1321.534, 1321.535, 1321.536, 1321.54, 1321.55, 1321.551, 1321.552, 1321.57, 1321.59, 1321.591, 1321.592, 1321.593, 1321.594, 1321.60, 1321.99, 1322.01, 1322.02, 1322.022, 1322.023, 1322.024, 1322.025, 1322.03, 1322.031, 1322.04, 1322.041, 1322.05, 1322.051, 1322.052, 1322.06, 1322.061, 1322.062, 1322.063, 1322.064, 1322.065, 1322.07, 1322.071, 1322.072, 1322.074, 1322.075, 1322.08, 1322.081, 1322.09, 1322.10, 1322.11, 1322.99, 1343.011, 1345.01, 1345.05, 1345.09, 1349.31, 1349.43, 1733.252, and 1733.26 of the Revised Code, as amended or enacted by this act, shall apply on and after January 1, 2010.

(B) The Division of Financial Institutions shall begin accepting applications for a mortgage loan originator license, and applications for an exemption from registration under sections 1321.51 to 1321.60 or 1322.01 to 1322.12 of the Revised Code, on the effective date of this section.

(C) Individuals holding a valid mortgage lender certificate of registration, mortgage broker certificate of registration, or loan officer license as of January 1, 2010, shall not be required to be in compliance with the sections described in division (A) of this section until the first renewal of that certificate or license after that date."

In line 106560, after "701.20," insert "745.60,"

In line 37 of the title, after "955.201," insert "1321.20, 1321.51, 1321.52, 1321.53, 1321.54, 1321.55, 1321.551, 1321.57, 1321.59, 1321.60, 1321.99, 1322.01, 1322.02,"

In line 38 of the title, after "1322.041," insert "1322.05, 1322.051, 1322.052, 1322.06, 1322.061, 1322.062, 1322.063, 1322.064, 1322.07, 1322.071, 1322.072, 1322.074, 1322.075, 1322.08, 1322.081, 1322.09, 1322.10, 1322.11, 1322.99,"; after "1332.25," insert "1343.011, 1345.01, 1345.05, 1345.09,"; after "1349.22," insert "1349.31, 1349.43,"

In line 54 of the title, after "1721.211," insert "1733.26,"

In line 194 of the title, after "927.54," insert "1321.521, 1321.522, 1321.531, 1321.532, 1321.533, 1321.534, 1321.535, 1321.536, 1321.552, 1321.591, 1321.592, 1321.593, 1321.594, 1322.022, 1322.023, 1322.024, 1322.025, 1322.065,"; after "1545.073," insert "1733.252,"

Delete line 100966

In line 100967, delete "Board of Regents, and not the" and insert "The"; delete the second comma and insert "of the Ohio Board of Regents"

Delete line 100997

In line 100998, delete "Board of Regents, and not the" and insert "The"; delete the second comma and insert "of the Ohio Board of Regents"

Delete line 101003

In line 101004, delete "of Regents, and not the" and insert "The"; delete the second comma and insert "of the Ohio Board of Regents"

In line 400, delete "5111.071,"

In line 450, delete "5111.085,"

Delete lines 75499 through 75533

Delete lines 75660 through 75685

In line 90903, delete "5111.071,"

Between lines 97921 and 97922, insert:

"**Section _____.** REDUCTION IN COMMUNITY PROVIDER RATES

The Director of Job and Family Services shall amend rules adopted under section 5111.02 of the Revised Code as necessary to reduce, effective January 1, 2010, the Medicaid reimbursement rates for the following Medicaid-covered services to rates that result in an amount that is at least three per cent lower than the amount resulting from the rates in effect on December 31, 2009:

(A) Advanced practice nursing services;

(B) Ambulatory surgery center services;

(C) Chiropractic services;

(D) Durable medical equipment;

(E) Home health services;

(F) Ambulance and ambulette services;

(G) Physician services;

(H) Physical therapy services;

(I) Podiatry services;

(J) Private duty nursing services;

(K) Vision services;

(L) Clinic services, other than rural health clinics and federally qualified health centers;

(M) Occupational therapy services;

(N) Dental services;

(O) Services provided under a home and community-based services Medicaid waiver component, as defined in section 5111.85 of the Revised Code, administered by the Department of Job and Family Services;

(P) Other services the Director identifies, other than services for which a statute of this state sets the Medicaid reimbursement rate.

Section _____. DISPENSING FEE FOR NONCOMPOUNDED DRUGS

The Medicaid dispensing fee for each noncompounded drug covered by the Medicaid program shall be $1.80 for the period beginning January 1, 2010, and ending June 30, 2011."

In line 148 of the title, delete "5111.071,"

In line 212 of the title, delete "5111.085,"

In line 293, after "9.03," insert "9.24,"

In line 304, after "127.16," insert "131.23,"

In line 309, after "173.50," insert "173.71, 173.76,"

In line 314, after "321.261," insert "323.01,"; after "329.03," insert "329.04,"; after "329.042," insert "329.051,"

In line 335, after "2303.201," insert "2305.234,"

In line 336, after "2743.51," insert "2744.05,"

In line 338, after "3105.87," insert "3111.04,"; after "3119.01," insert "3119.54,"

In line 358, after "3702.61," insert "3702.74,"

In line 376, after "4117.24," insert "4123.27,"

In line 388, after "4731.38," insert "4731.65, 4731.71,"

In line 396, after "5101.162," insert "5101.181,"; after "5101.26," insert "5101.31,"

In line 397, after "5101.34," insert "5101.36,"

In line 398, after "5101.573," insert "5101.58,"

In line 405, after "5111.971," insert "5112.03, 5112.08, 5112.17,"

In line 406, after "5112.371," insert "5115.20, 5115.22, 5115.23,"

Between lines 590 and 591, insert:

Sec. 9.24. (A) Except as may be allowed under division (F) of this section, no state agency and no political subdivision shall award a contract as described in division (G)(1) of this section for goods, services, or construction, paid for in whole or in part with state funds, to a person against whom a finding for recovery has been issued by the auditor of state on and after January 1, 2001, if the finding for recovery is unresolved.

A contract is considered to be awarded when it is entered into or executed, irrespective of whether the parties to the contract have exchanged any money.

(B) For purposes of this section, a finding for recovery is unresolved unless one of the following criteria applies:

(1) The money identified in the finding for recovery is paid in full to the state agency or political subdivision to whom the money was owed;

(2) The debtor has entered into a repayment plan that is approved by the attorney general and the state agency or political subdivision to whom the money identified in the finding for recovery is owed. A repayment plan may include a provision permitting a state agency or political subdivision to withhold payment to a debtor for goods, services, or construction provided to or for the state agency or political subdivision pursuant to a contract that is entered into with the debtor after the date the finding for recovery was issued.

(3) The attorney general waives a repayment plan described in division (B)(2) of this section for good cause;

(4) The debtor and state agency or political subdivision to whom the money identified in the finding for recovery is owed have agreed to a payment plan established through an enforceable settlement agreement.

(5) The state agency or political subdivision desiring to enter into a contract with a debtor certifies, and the attorney general concurs, that all of the following are true:

(a) Essential services the state agency or political subdivision is seeking to obtain from the debtor cannot be provided by any other person besides the debtor;

(b) Awarding a contract to the debtor for the essential services described in division (B)(5)(a) of this section is in the best interest of the state;

(c) Good faith efforts have been made to collect the money identified in the finding of recovery.

(6) The debtor has commenced an action to contest the finding for recovery and a final determination on the action has not yet been reached.

(C) The attorney general shall submit an initial report to the auditor of state, not later than December 1, 2003, indicating the status of collection for all findings for recovery issued by the auditor of state for calendar years 2001, 2002, and 2003. Beginning on January 1, 2004, the attorney general shall submit to the auditor of state, on the first day of every January, April, July, and October, a list of all findings for recovery that have been resolved in accordance with division (B) of this section during the calendar quarter preceding the submission of the list and a description of the means of resolution. The attorney general shall notify the auditor of state when a judgment is issued against an entity described in division (F)(1) of this section.

(D) The auditor of state shall maintain a database, accessible to the public, listing persons against whom an unresolved finding for recovery has been issued, and the amount of the money identified in the unresolved finding for recovery. The auditor of state shall have this database operational on or before January 1, 2004. The initial database shall contain the information required under this division for calendar years 2001, 2002, and 2003.

Beginning January 15, 2004, the auditor of state shall update the database by the fifteenth day of every January, April, July, and October to reflect resolved findings for recovery that are reported to the auditor of state by the attorney general on the first day of the same month pursuant to division (C) of this section.

(E) Before awarding a contract as described in division (G)(1) of this section for goods, services, or construction, paid for in whole or in part with state funds, a state agency or political subdivision shall verify that the person to whom the state agency or political subdivision plans to award the contract has no unresolved finding for recovery issued against the person. A state agency or political subdivision shall verify that the person does not appear in the database described in division (D) of this section or shall obtain other proof that the person has no unresolved finding for recovery issued against the person.

(F) The prohibition of division (A) of this section and the requirement of division (E) of this section do not apply with respect to the companies, payments, or agreements described in divisions (F)(1) and (2) of this section, or in the circumstance described in division (F)(3) of this section.

(1) A bonding company or a company authorized to transact the business of insurance in this state, a self-insurance pool, joint self-insurance pool, risk management program, or joint risk management program, unless a court has entered a final judgment against the company and the company has not yet satisfied the final judgment.

(2) To medicaid provider agreements under Chapter 5111. of the Revised Code ~~, payments or provider agreements under disability assistance medical assistance established under Chapter 5115. of the Revised Code,~~ or payments or provider agreements under the children's buy-in program established under sections 5101.5211 to 5101.5216 of the Revised Code.

(3) When federal law dictates that a specified entity provide the goods, services, or construction for which a contract is being awarded, regardless of whether that entity would otherwise be prohibited from entering into the contract pursuant to this section.

(G)(1) This section applies only to contracts for goods, services, or construction that satisfy the criteria in either division (G)(1)(a) or (b) of this section. This section may apply to contracts for goods, services, or construction that satisfy the criteria in division (G)(1)(c) of this section, provided that the contracts also satisfy the criteria in either division (G)(1)(a) or (b) of this section.

(a) The cost for the goods, services, or construction provided under the contract is estimated to exceed twenty-five thousand dollars.

(b) The aggregate cost for the goods, services, or construction provided under multiple contracts entered into by the particular state agency and a single person or the particular political subdivision and a single person within the fiscal year preceding the fiscal year within which a contract is being entered into by that same state agency and the same single person or the same political subdivision and the same single person, exceeded fifty thousand dollars.

(c) The contract is a renewal of a contract previously entered into and renewed pursuant to that preceding contract.

(2) This section does not apply to employment contracts.

(H) As used in this section:

(1) "State agency" has the same meaning as in section 9.66 of the Revised Code.

(2) "Political subdivision" means a political subdivision as defined in section 9.82 of the Revised Code that has received more than fifty thousand dollars of state money in the current fiscal year or the preceding fiscal year.

(3) "Finding for recovery" means a determination issued by the auditor of state, contained in a report the auditor of state gives to the attorney general pursuant to section 117.28 of the Revised Code, that public money has been illegally expended, public money has been collected but not been accounted for, public money is due but has not been collected, or public property has been converted or misappropriated.

(4) "Debtor" means a person against whom a finding for recovery has been issued.

(5) "Person" means the person named in the finding for recovery.

(6) "State money" does not include funds the state receives from another source and passes through to a political subdivision."

In line 12601, after "Code" strike through the balance of the line

Strike through line 12602

In line 12603, strike through "Chapter 5115. of the Revised Code"

Between lines 12747 and 12748, insert:

"**Sec. 131.23.** The various political subdivisions of this state may issue bonds, and any indebtedness created by that issuance shall not be subject to the limitations or included in the calculation of indebtedness prescribed by sections 133.05, 133.06, 133.07, and 133.09 of the Revised Code, but the bonds may be issued only under the following conditions:

(A) The subdivision desiring to issue the bonds shall obtain from the county auditor a certificate showing the total amount of delinquent taxes due and unpayable to the subdivision at the last semiannual tax settlement.

(B) The fiscal officer of that subdivision shall prepare a statement, from the books of the subdivision, verified by the fiscal officer under oath, which shall contain the following facts of the subdivision:

(1) The total bonded indebtedness;

(2) The aggregate amount of notes payable or outstanding accounts of the subdivision, incurred prior to the commencement of the current fiscal year, which shall include all evidences of indebtedness issued by the subdivision except notes issued in anticipation of bond issues and the indebtedness of any nontax-supported public utility;

(3) Except in the case of school districts, the aggregate current year's requirement for disability financial assistance ~~and disability medical assistance~~ provided under Chapter 5115. of the Revised Code that the subdivision is unable to finance except by the issue of bonds;

(4) The indebtedness outstanding through the issuance of any bonds or notes pledged or obligated to be paid by any delinquent taxes;

(5) The total of any other indebtedness;

(6) The net amount of delinquent taxes unpledged to pay any bonds, notes, or certificates, including delinquent assessments on improvements on which the bonds have been paid;

(7) The budget requirements for the fiscal year for bond and note retirement;

(8) The estimated revenue for the fiscal year.

(C) The certificate and statement provided for in divisions (A) and (B) of this section shall be forwarded to the tax commissioner together with a request for authority to issue bonds of the subdivision in an amount not to exceed seventy per cent of the net unobligated delinquent taxes and assessments due and owing to the subdivision, as set forth in division (B)(6) of this section.

(D) No subdivision may issue bonds under this section in excess of a sufficient amount to pay the indebtedness of the subdivision as shown by

division (B)(2) of this section and, except in the case of school districts, to provide funds for disability financial assistance ~~and disability medical assistance,~~ as shown by division (B)(3) of this section.

(E) The tax commissioner shall grant to the subdivision authority requested by the subdivision as restricted by divisions (C) and (D) of this section and shall make a record of the certificate, statement, and grant in a record book devoted solely to such recording and which shall be open to inspection by the public.

(F) The commissioner shall immediately upon issuing the authority provided in division (E) of this section notify the proper authority having charge of the retirement of bonds of the subdivision by forwarding a copy of the grant of authority and of the statement provided for in division (B) of this section.

(G) Upon receipt of authority, the subdivision shall proceed according to law to issue the amount of bonds authorized by the commissioner, and authorized by the taxing authority, provided the taxing authority of that subdivision may submit, by resolution, to the electors of that subdivision the question of issuing the bonds. The resolution shall make the declarations and statements required by section 133.18 of the Revised Code. The county auditor and taxing authority shall thereupon proceed as set forth in divisions (C) and (D) of that section. The election on the question of issuing the bonds shall be held under divisions (E), (F), and (G) of that section, except that publication of the notice of the election shall be made on two separate days prior to the election in one or more newspapers of general circulation in the subdivision, and, if the board of elections operates and maintains a web site, notice of the election also shall be posted on that web site for thirty days prior to the election. The bonds may be exchanged at their face value with creditors of the subdivision in liquidating the indebtedness described and enumerated in division (B)(2) of this section or may be sold as provided in Chapter 133. of the Revised Code, and in either event shall be uncontestable.

(H) The per cent of delinquent taxes and assessments collected for and to the credit of the subdivision after the exchange or sale of bonds as certified by the commissioner shall be paid to the authority having charge of the sinking fund of the subdivision, which money shall be placed in a separate fund for the purpose of retiring the bonds so issued. The proper authority of the subdivisions shall provide for the levying of a tax sufficient in amount to pay the debt charges on all such bonds issued under this section.

(I) This section is for the sole purpose of assisting the various subdivisions in paying their unsecured indebtedness, and providing funds for disability financial assistance ~~and disability medical assistance~~. The bonds issued under authority of this section shall not be used for any other purpose, and any exchange for other purposes, or the use of the money derived from the sale of the bonds by the subdivision for any other purpose, is misapplication of funds.

(J) The bonds authorized by this section shall be redeemable or payable

in not to exceed ten years from date of issue and shall not be subject to or considered in calculating the net indebtedness of the subdivision. The budget commission of the county in which the subdivision is located shall annually allocate such portion of the then delinquent levy due the subdivision which is unpledged for other purposes to the payment of debt charges on the bonds issued under authority of this section.

(K) The issue of bonds under this section shall be governed by Chapter 133. of the Revised Code, respecting the terms used, forms, manner of sale, and redemption except as otherwise provided in this section.

The board of county commissioners of any county may issue bonds authorized by this section and distribute the proceeds of the bond issues to any or all of the cities and townships of the county, according to their relative needs for disability financial assistance ~~and disability medical assistance~~ as determined by the county.

All sections of the Revised Code inconsistent with or prohibiting the exercise of the authority conferred by this section are inoperative respecting bonds issued under this section."

Between lines 16638 and 16639, insert:

"**Sec. 173.71.** As used in sections 173.71 to 173.91 of the Revised Code:

(A) "Children's health insurance program" means the children's health insurance program part I, part II, and part III established under sections 5101.50 to 5101.529 of the Revised Code.

(B) ~~"Disability medical assistance program" means the program established under section 5115.10 of the Revised Code.~~

~~(C)~~ "Medicaid program" or "medicaid" means the medical assistance program established under Chapter 5111. of the Revised Code.

~~(D)~~ (C) "National drug code number" means the number registered for a drug pursuant to the listing system established by the United States food and drug administration under the "Drug Listing Act of 1972," 86 Stat. 559, 21 U.S.C. 360, as amended.

~~(E)~~ (D) "Ohio's best Rx program participant" or "participant" means an individual determined eligible for the Ohio's best Rx program and included under an Ohio's best Rx program enrollment card.

~~(F)~~ (E) "Participating manufacturer" means a drug manufacturer participating in the Ohio's best Rx program pursuant to a manufacturer agreement entered into under section 173.81 of the Revised Code.

~~(G)~~ (F) "Participating terminal distributor" means a terminal distributor of dangerous drugs participating in the Ohio's best Rx program pursuant to an agreement entered into under section 173.79 of the Revised Code.

~~(H)~~ (G) "Political subdivision" has the same meaning as in section 9.23

of the Revised Code.

~~(I)~~ (H) "State agency" has the same meaning as in section 9.23 of the Revised Code.

~~(J)~~ (I) "Terminal distributor of dangerous drugs" has the same meaning as in section 4729.01 of the Revised Code.

~~(K)~~ (J) "Third-party payer" has the same meaning as in section 3901.38 of the Revised Code.

~~(L)~~ (K) "Trade secret" has the same meaning as in section 1333.61 of the Revised Code.

~~(M)~~ (L) "Usual and customary charge" means the amount a participating terminal distributor or the drug mail order system included in the Ohio's best Rx program pursuant to section 173.78 of the Revised Code charges when a drug included in the program is purchased by an individual who does not receive a discounted price for the drug pursuant to any drug discount program, including the Ohio's best Rx program or a pharmacy assistance program established by any person or government entity, and for whom no third-party payer or program funded in whole or part with state or federal funds is responsible for all or part of the cost of the drug.

Sec. 173.76. (A) To be eligible for the Ohio's best Rx program, an individual must meet all of the following requirements at the time of application for the program:

(1) The individual must be a resident of this state.

(2) One of the following must be the case:

(a) The individual has family income, as determined under rules adopted pursuant to section 173.83 of the Revised Code, that does not exceed three hundred per cent of the federal poverty guidelines, as revised annually by the United States department of health and human services in accordance with section 673(2) of the "Omnibus Budget Reconciliation Act of 1981," 95 Stat. 511, 42 U.S.C. 9902, as amended;

(b) The individual is sixty years of age or older;

(c) The individual is a person with a disability, as defined in section 173.06 of the Revised Code.

(3) Except as provided in division (B) of this section, the individual must not have coverage for outpatient drugs paid for in whole or in part by any of the following:

(a) A third-party payer, including an employer;

(b) The medicaid program;

(c) The children's health insurance program;

(d) ~~The disability medical assistance program;~~

~~(e)~~ Another health plan or pharmacy assistance program that uses state or federal funds to pay part or all of the cost of the individual's outpatient drugs.

(4) The individual must not have had coverage for outpatient drugs paid for by any of the entities or programs specified in division (A)(3) of this section during any of the four months preceding the month in which the application for the Ohio's best Rx program is made, unless any of the following applies:

(a) The individual is sixty years of age or older.

(b) The third-party payer, including an employer, that paid for the coverage filed for bankruptcy under federal bankruptcy laws.

(c) The individual is no longer eligible for coverage provided through a retirement plan subject to protection under the "Employee Retirement Income Security Act of 1974," 88 Stat. 832, 29 U.S.C. 1001, as amended.

(d) The individual is no longer eligible for the medicaid program ~~,~~ or children's health insurance program ~~, or disability medical assistance program~~.

(e) The individual is either temporarily or permanently discharged from employment due to a business reorganization.

(B) An individual is not subject to division (A)(3) of this section if the individual has coverage for outpatient drugs paid for in whole or in part by either of the following:

(1) The workers' compensation program;

(2) A medicare prescription drug plan offered pursuant to the "Medicare Prescription Drug, Improvement, and Modernization Act of 2003," 117 Stat. 2071, 42 U.S.C. 1395w-101, as amended, but only if all of the following are the case with respect to the particular drug being purchased through the Ohio's best Rx program:

(a) The individual is responsible for the full cost of the drug.

(b) The drug is not subject to a rebate from the manufacturer under the individual's medicare prescription drug plan.

(c) The manufacturer of the drug has agreed to the Ohio's best Rx program's inclusion of individuals who have coverage through a medicare prescription drug plan."

Between lines 19322 and 19323, insert:

"**Sec. 323.01.** Except as otherwise provided, as used in Chapter 323. of the Revised Code:

(A) "Subdivision" means any county, township, school district, or municipal corporation.

(B) "Municipal corporation" includes charter municipalities.

(C) "Taxes" means the total amount of all charges against an entry

appearing on a tax list and the duplicate thereof that was prepared and certified in accordance with section 319.28 of the Revised Code, including taxes levied against real estate; taxes on property whose value is certified pursuant to section 5727.23 of the Revised Code; recoupment charges applied pursuant to section 5713.35 of the Revised Code; all assessments; penalties and interest charged pursuant to section 323.121 of the Revised Code; charges added pursuant to section 319.35 of the Revised Code; and all of such charges which remain unpaid from any previous tax year.

(D) "Current taxes" means all taxes charged against an entry on the general tax list and duplicate of real and public utility property that have not appeared on such list and duplicate for any prior tax year and any penalty thereon charged by division (A) of section 323.121 of the Revised Code. Current taxes, whether or not they have been certified delinquent, become delinquent taxes if they remain unpaid after the last day prescribed for payment of the second installment of current taxes without penalty.

(E) "Delinquent taxes" means:

(1) Any taxes charged against an entry on the general tax list and duplicate of real and public utility property that were charged against an entry on such list and duplicate for a prior tax year and any penalties and interest charged against such taxes.

(2) Any current taxes charged on the general tax list and duplicate of real and public utility property that remain unpaid after the last day prescribed for payment of the second installment of such taxes without penalty, whether or not they have been certified delinquent, and any penalties and interest charged against such taxes.

(F) "Current tax year" means, with respect to particular taxes, the calendar year in which the first installment of taxes is due prior to any extension granted under section 323.17 of the Revised Code.

(G) "Liquidated claim" means:

(1) Any sum of money due and payable, upon a written contractual obligation executed between the subdivision and the taxpayer, but excluding any amount due on general and special assessment bonds and notes;

(2) Any sum of money due and payable, for disability financial assistance ~~or disability medical assistance~~ provided under Chapter 5115. of the Revised Code that is furnished to or in behalf of a subdivision, provided that such claim is recognized by a resolution or ordinance of the legislative body of such subdivision;

(3) Any sum of money advanced and paid to or received and used by a subdivision, pursuant to a resolution or ordinance of such subdivision or its predecessor in interest, and the moral obligation to repay which sum, when in funds, shall be recognized by resolution or ordinance by the subdivision."

Between lines 19515 and 19516, insert:

"**Sec. 329.04.** (A) The county department of job and family services shall have, exercise, and perform the following powers and duties:

(1) Perform any duties assigned by the state department of job and family services regarding the provision of public family services, including the provision of the following services to prevent or reduce economic or personal dependency and to strengthen family life:

(a) Services authorized by a Title IV-A program, as defined in section 5101.80 of the Revised Code;

(b) Social services authorized by Title XX of the "Social Security Act" and provided for by section 5101.46 or 5101.461 of the Revised Code;

(c) If the county department is designated as the child support enforcement agency, services authorized by Title IV-D of the "Social Security Act" and provided for by Chapter 3125. of the Revised Code. The county department may perform the services itself or contract with other government entities, and, pursuant to division (C) of section 2301.35 and section 2301.42 of the Revised Code, private entities, to perform the Title IV-D services.

(d) Duties assigned under section 5111.98 of the Revised Code.

(2) Administer disability financial assistance, as required by the state department of job and family services under section 5115.03 of the Revised Code;

(3) ~~Administer disability medical assistance, as required by the state department of job and family services under section 5115.13 of the Revised Code;~~

~~(4)~~ Administer burials insofar as the administration of burials was, prior to September 12, 1947, imposed upon the board of county commissioners and if otherwise required by state law;

~~(5)~~ (4) Cooperate with state and federal authorities in any matter relating to family services and to act as the agent of such authorities;

~~(6)~~ (5) Submit an annual account of its work and expenses to the board of county commissioners and to the state department of job and family services at the close of each fiscal year;

~~(7)~~ (6) Exercise any powers and duties relating to family services duties or workforce development activities imposed upon the county department of job and family services by law, by resolution of the board of county commissioners, or by order of the governor, when authorized by law, to meet emergencies during war or peace;

~~(8)~~ (7) Determine the eligibility for medical assistance of recipients of aid under Title XVI of the "Social Security Act";

~~(9)~~ (8) If assigned by the state director of job and family services under section 5101.515 or 5101.525 of the Revised Code, determine applicants' eligibility for health assistance under the children's health insurance program part II or part III;

~~(10)~~ (9) Enter into a plan of cooperation with the board of county commissioners under section 307.983, consult with the board in the development of the transportation work plan developed under section 307.985, establish with the board procedures under section 307.986 for providing services to children whose families relocate frequently, and comply with the contracts the board enters into under sections 307.981 and 307.982 of the Revised Code that affect the county department;

~~(11)~~ (10) For the purpose of complying with a grant agreement the board of county commissioners enters into under sections 307.98 and 5101.21 of the Revised Code, exercise the powers and perform the duties the grant agreement assigns to the county department;

~~(12)~~ (11) If the county department is designated as the workforce development agency, provide the workforce development activities specified in the contract required by section 330.05 of the Revised Code.

(B) The powers and duties of a county department of job and family services are, and shall be exercised and performed, under the control and direction of the board of county commissioners. The board may assign to the county department any power or duty of the board regarding family services duties and workforce development activities. If the new power or duty necessitates the state department of job and family services changing its federal cost allocation plan, the county department may not implement the power or duty unless the United States department of health and human services approves the changes."

Between lines 19544 and 19545, insert:

"**Sec. 329.051.** The county department of job and family services shall make voter registration applications as prescribed by the secretary of state under section 3503.10 of the Revised Code available to persons who are applying for, receiving assistance from, or participating in any of the following:

(A) The disability financial assistance program established under Chapter 5115. of the Revised Code;

(B) ~~The disability medical assistance program established under Chapter 5115. of the Revised Code;~~

~~(C)~~ The medical assistance program established under Chapter 5111. of the Revised Code;

~~(D)~~ (C) The Ohio works first program established under Chapter 5107. of the Revised Code;

~~(E)~~ (D) The prevention, retention, and contingency program established

under Chapter 5108. of the Revised Code."

Between lines 29537 and 29538, insert:

"**Sec. 2305.234.** (A) As used in this section:

(1) "Chiropractic claim," "medical claim," and "optometric claim" have the same meanings as in section 2305.113 of the Revised Code.

(2) "Dental claim" has the same meaning as in section 2305.113 of the Revised Code, except that it does not include any claim arising out of a dental operation or any derivative claim for relief that arises out of a dental operation.

(3) "Governmental health care program" has the same meaning as in section 4731.65 of the Revised Code.

(4) "Health care facility or location" means a hospital, clinic, ambulatory surgical facility, office of a health care professional or associated group of health care professionals, training institution for health care professionals, or any other place where medical, dental, or other health-related diagnosis, care, or treatment is provided to a person.

(5) "Health care professional" means any of the following who provide medical, dental, or other health-related diagnosis, care, or treatment:

(a) Physicians authorized under Chapter 4731. of the Revised Code to practice medicine and surgery or osteopathic medicine and surgery;

(b) Registered nurses and licensed practical nurses licensed under Chapter 4723. of the Revised Code and individuals who hold a certificate of authority issued under that chapter that authorizes the practice of nursing as a certified registered nurse anesthetist, clinical nurse specialist, certified nurse-midwife, or certified nurse practitioner;

(c) Physician assistants authorized to practice under Chapter 4730. of the Revised Code;

(d) Dentists and dental hygienists licensed under Chapter 4715. of the Revised Code;

(e) Physical therapists, physical therapist assistants, occupational therapists, and occupational therapy assistants licensed under Chapter 4755. of the Revised Code;

(f) Chiropractors licensed under Chapter 4734. of the Revised Code;

(g) Optometrists licensed under Chapter 4725. of the Revised Code;

(h) Podiatrists authorized under Chapter 4731. of the Revised Code to practice podiatry;

(i) Dietitians licensed under Chapter 4759. of the Revised Code;

(j) Pharmacists licensed under Chapter 4729. of the Revised Code;

(k) Emergency medical technicians-basic, emergency medical

technicians-intermediate, and emergency medical technicians-paramedic, certified under Chapter 4765. of the Revised Code;

(l) Respiratory care professionals licensed under Chapter 4761. of the Revised Code;

(m) Speech-language pathologists and audiologists licensed under Chapter 4753. of the Revised Code.

(6) "Health care worker" means a person other than a health care professional who provides medical, dental, or other health-related care or treatment under the direction of a health care professional with the authority to direct that individual's activities, including medical technicians, medical assistants, dental assistants, orderlies, aides, and individuals acting in similar capacities.

(7) "Indigent and uninsured person" means a person who meets all of the following requirements:

(a) The person's income is not greater than two hundred per cent of the current poverty line as defined by the United States office of management and budget and revised in accordance with section 673(2) of the "Omnibus Budget Reconciliation Act of 1981," 95 Stat. 511, 42 U.S.C. 9902, as amended.

(b) The person is not eligible to receive medical assistance under Chapter 5111. ~~disability medical assistance under Chapter 5115.~~ of the Revised Code or assistance under any other governmental health care program.

(c) Either of the following applies:

(i) The person is not a policyholder, certificate holder, insured, contract holder, subscriber, enrollee, member, beneficiary, or other covered individual under a health insurance or health care policy, contract, or plan.

(ii) The person is a policyholder, certificate holder, insured, contract holder, subscriber, enrollee, member, beneficiary, or other covered individual under a health insurance or health care policy, contract, or plan, but the insurer, policy, contract, or plan denies coverage or is the subject of insolvency or bankruptcy proceedings in any jurisdiction.

(8) "Nonprofit health care referral organization" means an entity that is not operated for profit and refers patients to, or arranges for the provision of, health-related diagnosis, care, or treatment by a health care professional or health care worker.

(9) "Operation" means any procedure that involves cutting or otherwise infiltrating human tissue by mechanical means, including surgery, laser surgery, ionizing radiation, therapeutic ultrasound, or the removal of intraocular foreign bodies. "Operation" does not include the administration of medication by injection, unless the injection is administered in conjunction with a procedure infiltrating human tissue by mechanical means other than the administration of medicine by injection. "Operation" does not include routine dental restorative

procedures, the scaling of teeth, or extractions of teeth that are not impacted.

(10) "Tort action" means a civil action for damages for injury, death, or loss to person or property other than a civil action for damages for a breach of contract or another agreement between persons or government entities.

(11) "Volunteer" means an individual who provides any medical, dental, or other health-care related diagnosis, care, or treatment without the expectation of receiving and without receipt of any compensation or other form of remuneration from an indigent and uninsured person, another person on behalf of an indigent and uninsured person, any health care facility or location, any nonprofit health care referral organization, or any other person or government entity.

(12) "Community control sanction" has the same meaning as in section 2929.01 of the Revised Code.

(13) "Deep sedation" means a drug-induced depression of consciousness during which a patient cannot be easily aroused but responds purposefully following repeated or painful stimulation, a patient's ability to independently maintain ventilatory function may be impaired, a patient may require assistance in maintaining a patent airway and spontaneous ventilation may be inadequate, and cardiovascular function is usually maintained.

(14) "General anesthesia" means a drug-induced loss of consciousness during which a patient is not arousable, even by painful stimulation, the ability to independently maintain ventilatory function is often impaired, a patient often requires assistance in maintaining a patent airway, positive pressure ventilation may be required because of depressed spontaneous ventilation or drug-induced depression of neuromuscular function, and cardiovascular function may be impaired.

(B)(1) Subject to divisions (F) and (G)(3) of this section, a health care professional who is a volunteer and complies with division (B)(2) of this section is not liable in damages to any person or government entity in a tort or other civil action, including an action on a medical, dental, chiropractic, optometric, or other health-related claim, for injury, death, or loss to person or property that allegedly arises from an action or omission of the volunteer in the provision to an indigent and uninsured person of medical, dental, or other health-related diagnosis, care, or treatment, including the provision of samples of medicine and other medical products, unless the action or omission constitutes willful or wanton misconduct.

(2) To qualify for the immunity described in division (B)(1) of this section, a health care professional shall do all of the following prior to providing diagnosis, care, or treatment:

(a) Determine, in good faith, that the indigent and uninsured person is mentally capable of giving informed consent to the provision of the diagnosis, care, or treatment and is not subject to duress or under undue influence;

(b) Inform the person of the provisions of this section, including notifying the person that, by giving informed consent to the provision of the diagnosis, care, or treatment, the person cannot hold the health care professional liable for damages in a tort or other civil action, including an action on a medical, dental, chiropractic, optometric, or other health-related claim, unless the action or omission of the health care professional constitutes willful or wanton misconduct;

(c) Obtain the informed consent of the person and a written waiver, signed by the person or by another individual on behalf of and in the presence of the person, that states that the person is mentally competent to give informed consent and, without being subject to duress or under undue influence, gives informed consent to the provision of the diagnosis, care, or treatment subject to the provisions of this section. A written waiver under division (B)(2)(c) of this section shall state clearly and in conspicuous type that the person or other individual who signs the waiver is signing it with full knowledge that, by giving informed consent to the provision of the diagnosis, care, or treatment, the person cannot bring a tort or other civil action, including an action on a medical, dental, chiropractic, optometric, or other health-related claim, against the health care professional unless the action or omission of the health care professional constitutes willful or wanton misconduct.

(3) A physician or podiatrist who is not covered by medical malpractice insurance, but complies with division (B)(2) of this section, is not required to comply with division (A) of section 4731.143 of the Revised Code.

(C) Subject to divisions (F) and (G)(3) of this section, health care workers who are volunteers are not liable in damages to any person or government entity in a tort or other civil action, including an action upon a medical, dental, chiropractic, optometric, or other health-related claim, for injury, death, or loss to person or property that allegedly arises from an action or omission of the health care worker in the provision to an indigent and uninsured person of medical, dental, or other health-related diagnosis, care, or treatment, unless the action or omission constitutes willful or wanton misconduct.

(D) Subject to divisions (F) and (G)(3) of this section, a nonprofit health care referral organization is not liable in damages to any person or government entity in a tort or other civil action, including an action on a medical, dental, chiropractic, optometric, or other health-related claim, for injury, death, or loss to person or property that allegedly arises from an action or omission of the nonprofit health care referral organization in referring indigent and uninsured persons to, or arranging for the provision of, medical, dental, or other health-related diagnosis, care, or treatment by a health care professional described in division (B)(1) of this section or a health care worker described in division (C) of this section, unless the action or omission constitutes willful or wanton misconduct.

(E) Subject to divisions (F) and (G)(3) of this section and to the extent that the registration requirements of section 3701.071 of the Revised Code apply,

a health care facility or location associated with a health care professional described in division (B)(1) of this section, a health care worker described in division (C) of this section, or a nonprofit health care referral organization described in division (D) of this section is not liable in damages to any person or government entity in a tort or other civil action, including an action on a medical, dental, chiropractic, optometric, or other health-related claim, for injury, death, or loss to person or property that allegedly arises from an action or omission of the health care professional or worker or nonprofit health care referral organization relative to the medical, dental, or other health-related diagnosis, care, or treatment provided to an indigent and uninsured person on behalf of or at the health care facility or location, unless the action or omission constitutes willful or wanton misconduct.

(F)(1) Except as provided in division (F)(2) of this section, the immunities provided by divisions (B), (C), (D), and (E) of this section are not available to a health care professional, health care worker, nonprofit health care referral organization, or health care facility or location if, at the time of an alleged injury, death, or loss to person or property, the health care professionals or health care workers involved are providing one of the following:

(a) Any medical, dental, or other health-related diagnosis, care, or treatment pursuant to a community service work order entered by a court under division (B) of section 2951.02 of the Revised Code or imposed by a court as a community control sanction;

(b) Performance of an operation to which any one of the following applies:

(i) The operation requires the administration of deep sedation or general anesthesia.

(ii) The operation is a procedure that is not typically performed in an office.

(iii) The individual involved is a health care professional, and the operation is beyond the scope of practice or the education, training, and competence, as applicable, of the health care professional.

(c) Delivery of a baby or any other purposeful termination of a human pregnancy.

(2) Division (F)(1) of this section does not apply when a health care professional or health care worker provides medical, dental, or other health-related diagnosis, care, or treatment that is necessary to preserve the life of a person in a medical emergency.

(G)(1) This section does not create a new cause of action or substantive legal right against a health care professional, health care worker, nonprofit health care referral organization, or health care facility or location.

(2) This section does not affect any immunities from civil liability or

defenses established by another section of the Revised Code or available at common law to which a health care professional, health care worker, nonprofit health care referral organization, or health care facility or location may be entitled in connection with the provision of emergency or other medical, dental, or other health-related diagnosis, care, or treatment.

(3) This section does not grant an immunity from tort or other civil liability to a health care professional, health care worker, nonprofit health care referral organization, or health care facility or location for actions that are outside the scope of authority of health care professionals or health care workers.

(4) This section does not affect any legal responsibility of a health care professional, health care worker, or nonprofit health care referral organization to comply with any applicable law of this state or rule of an agency of this state.

(5) This section does not affect any legal responsibility of a health care facility or location to comply with any applicable law of this state, rule of an agency of this state, or local code, ordinance, or regulation that pertains to or regulates building, housing, air pollution, water pollution, sanitation, health, fire, zoning, or safety."

Between lines 30075 and 30076, insert:

"**Sec. 2744.05.** Notwithstanding any other provisions of the Revised Code or rules of a court to the contrary, in an action against a political subdivision to recover damages for injury, death, or loss to person or property caused by an act or omission in connection with a governmental or proprietary function:

(A) Punitive or exemplary damages shall not be awarded.

(B)(1) If a claimant receives or is entitled to receive benefits for injuries or loss allegedly incurred from a policy or policies of insurance or any other source, the benefits shall be disclosed to the court, and the amount of the benefits shall be deducted from any award against a political subdivision recovered by that claimant. No insurer or other person is entitled to bring an action under a subrogation provision in an insurance or other contract against a political subdivision with respect to those benefits.

The amount of the benefits shall be deducted from an award against a political subdivision under division (B)(1) of this section regardless of whether the claimant may be under an obligation to pay back the benefits upon recovery, in whole or in part, for the claim. A claimant whose benefits have been deducted from an award under division (B)(1) of this section is not considered fully compensated and shall not be required to reimburse a subrogated claim for benefits deducted from an award pursuant to division (B)(1) of this section.

(2) Nothing in division (B)(1) of this section shall be construed to do either of the following:

(a) Limit the rights of a beneficiary under a life insurance policy or the rights of sureties under fidelity or surety bonds;

(b) Prohibit the department of job and family services from recovering from the political subdivision, pursuant to section 5101.58 of the Revised Code, the cost of medical assistance benefits provided under sections 5101.5211 to 5101.5216 or Chapter 5107., or 5111. ~~, or 5115.~~ of the Revised Code.

(C)(1) There shall not be any limitation on compensatory damages that represent the actual loss of the person who is awarded the damages. However, except in wrongful death actions brought pursuant to Chapter 2125. of the Revised Code, damages that arise from the same cause of action, transaction or occurrence, or series of transactions or occurrences and that do not represent the actual loss of the person who is awarded the damages shall not exceed two hundred fifty thousand dollars in favor of any one person. The limitation on damages that do not represent the actual loss of the person who is awarded the damages provided in this division does not apply to court costs that are awarded to a plaintiff, or to interest on a judgment rendered in favor of a plaintiff, in an action against a political subdivision.

(2) As used in this division, "the actual loss of the person who is awarded the damages" includes all of the following:

(a) All wages, salaries, or other compensation lost by the person injured as a result of the injury, including wages, salaries, or other compensation lost as of the date of a judgment and future expected lost earnings of the person injured;

(b) All expenditures of the person injured or another person on behalf of the person injured for medical care or treatment, for rehabilitation services, or for other care, treatment, services, products, or accommodations that were necessary because of the injury;

(c) All expenditures to be incurred in the future, as determined by the court, by the person injured or another person on behalf of the person injured for medical care or treatment, for rehabilitation services, or for other care, treatment, services, products, or accommodations that will be necessary because of the injury;

(d) All expenditures of a person whose property was injured or destroyed or of another person on behalf of the person whose property was injured or destroyed in order to repair or replace the property that was injured or destroyed;

(e) All expenditures of the person injured or of the person whose property was injured or destroyed or of another person on behalf of the person injured or of the person whose property was injured or destroyed in relation to the actual preparation or presentation of the claim involved;

(f) Any other expenditures of the person injured or of the person whose property was injured or destroyed or of another person on behalf of the person injured or of the person whose property was injured or destroyed that the court determines represent an actual loss experienced because of the personal or property injury or property loss.

"The actual loss of the person who is awarded the damages" does not

include any fees paid or owed to an attorney for any services rendered in relation to a personal or property injury or property loss, and does not include any damages awarded for pain and suffering, for the loss of society, consortium, companionship, care, assistance, attention, protection, advice, guidance, counsel, instruction, training, or education of the person injured, for mental anguish, or for any other intangible loss."

Between lines 32566 and 32567, insert:

"**Sec. 3111.04.** (A) An action to determine the existence or nonexistence of the father and child relationship may be brought by the child or the child's personal representative, the child's mother or her personal representative, a man alleged or alleging himself to be the child's father, the child support enforcement agency of the county in which the child resides if the child's mother, father, or alleged father is a recipient of public assistance or of services under Title IV-D of the "Social Security Act," 88 Stat. 2351 (1975), 42 U.S.C.A. 651, as amended, or the alleged father's personal representative.

(B) An agreement does not bar an action under this section.

(C) If an action under this section is brought before the birth of the child and if the action is contested, all proceedings, except service of process and the taking of depositions to perpetuate testimony, may be stayed until after the birth.

(D) A recipient of public assistance or of services under Title IV-D of the "Social Security Act," 88 Stat. 2351 (1975), 42 U.S.C.A. 651, as amended, shall cooperate with the child support enforcement agency of the county in which a child resides to obtain an administrative determination pursuant to sections 3111.38 to 3111.54 of the Revised Code, or, if necessary, a court determination pursuant to sections 3111.01 to 3111.18 of the Revised Code, of the existence or nonexistence of a parent and child relationship between the father and the child. If the recipient fails to cooperate, the agency may commence an action to determine the existence or nonexistence of a parent and child relationship between the father and the child pursuant to sections 3111.01 to 3111.18 of the Revised Code.

(E) As used in this section, "public assistance" means all of the following:

(1) Medicaid under Chapter 5111. of the Revised Code;

(2) Ohio works first under Chapter 5107. of the Revised Code;

(3) Disability financial assistance under Chapter 5115. of the Revised Code;

(4) ~~Disability medical assistance under Chapter 5115. of the Revised Code;~~

~~(5)~~ Children's buy-in program under sections 5101.5211 to 5101.5216 of the Revised Code."

Between lines 32766 and 32767, insert:

"**Sec. 3119.54.** A party to a child support order issued in accordance with section 3119.30 of the Revised Code shall notify any physician, hospital, or other provider of medical services that provides medical services to the child who is the subject of the child support order of the number of any health insurance or health care policy, contract, or plan that covers the child if the child is eligible for medical assistance under sections 5101.5211 to 5101.5216 or Chapter 5111. ~~or 5115.~~ of the Revised Code. The party shall include in the notice the name and address of the insurer. Any physician, hospital, or other provider of medical services for which medical assistance is available under sections 5101.5211 to 5101.5216 or Chapter 5111. ~~or 5115.~~ of the Revised Code who is notified under this section of the existence of a health insurance or health care policy, contract, or plan with coverage for children who are eligible for medical assistance shall first bill the insurer for any services provided for those children. If the insurer fails to pay all or any part of a claim filed under this section and the services for which the claim is filed are covered by sections 5101.5211 to 5101.5216 or Chapter 5111. ~~or 5115.~~ of the Revised Code, the physician, hospital, or other medical services provider shall bill the remaining unpaid costs of the services in accordance with sections 5101.5211 to 5101.5216 or Chapter 5111. ~~or 5115.~~ of the Revised Code."

Between lines 49409 and 49410, insert:

"**Sec. 3702.74.** (A) A primary care physician who has signed a letter of intent under section 3702.73 of the Revised Code and the director of health may enter into a contract for the physician's participation in the physician loan repayment program. The physician's employer or other funding source may also be a party to the contract.

(B) The contract shall include all of the following obligations:

(1) The primary care physician agrees to provide primary care services in the health resource shortage area identified in the letter of intent for at least two years;

(2) When providing primary care services in the health resource shortage area, the primary care physician agrees to do all of the following:

(a) Provide primary care services for a minimum of forty hours per week, of which at least twenty-one hours will be spent providing patient care in an outpatient or ambulatory setting;

(b) Provide primary care services without regard to a patient's ability to pay;

(c) Meet the conditions prescribed by the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301, as amended, and the department of job and family services for participation in the medicaid program established under Chapter 5111. of the Revised Code and enter into a contract with the department to provide primary care services to recipients of the medical assistance program ~~;~~

~~(d) Meet the conditions established by the department of job and family services for participation in the disability medical assistance program established under Chapter 5115. of the Revised Code and enter into a contract with the department to provide primary care services to recipients of disability medical assistance~~.

(3) The department of health agrees, as provided in section 3702.75 of the Revised Code, to repay, so long as the primary care physician performs the service obligation agreed to under division (B)(1) of this section, all or part of the principal and interest of a government or other educational loan taken by the primary care physician for expenses described in section 3702.75 of the Revised Code;

(4) The primary care physician agrees to pay the department of health an amount established by rules adopted under section 3702.79 of the Revised Code if the physician fails to complete the service obligation agreed to under division (B)(1) of this section.

(C) The contract may include any other terms agreed upon by the parties."

Between lines 61650 and 61651, insert:

"**Sec. 4123.27.** Information contained in the annual statement provided for in section 4123.26 of the Revised Code, and such other information as may be furnished to the bureau of workers' compensation by employers in pursuance of that section, is for the exclusive use and information of the bureau in the discharge of its official duties, and shall not be open to the public nor be used in any court in any action or proceeding pending therein unless the bureau is a party to the action or proceeding; but the information contained in the statement may be tabulated and published by the bureau in statistical form for the use and information of other state departments and the public. No person in the employ of the bureau, except those who are authorized by the administrator of workers' compensation, shall divulge any information secured by the person while in the employ of the bureau in respect to the transactions, property, claim files, records, or papers of the bureau or in respect to the business or mechanical, chemical, or other industrial process of any company, firm, corporation, person, association, partnership, or public utility to any person other than the administrator or to the superior of such employee of the bureau.

Notwithstanding the restrictions imposed by this section, the governor, select or standing committees of the general assembly, the auditor of state, the attorney general, or their designees, pursuant to the authority granted in this chapter and Chapter 4121. of the Revised Code, may examine any records, claim files, or papers in possession of the industrial commission or the bureau. They also are bound by the privilege that attaches to these papers.

The administrator shall report to the director of job and family services or to the county director of job and family services the name, address, and social security number or other identification number of any person receiving workers'

compensation whose name or social security number or other identification number is the same as that of a person required by a court or child support enforcement agency to provide support payments to a recipient or participant of public assistance, and whose name is submitted to the administrator by the director under section 5101.36 of the Revised Code. The administrator also shall inform the director of the amount of workers' compensation paid to the person during such period as the director specifies.

Within fourteen days after receiving from the director of job and family services a list of the names and social security numbers of recipients or participants of public assistance pursuant to section 5101.181 of the Revised Code, the administrator shall inform the auditor of state of the name, current or most recent address, and social security number of each person receiving workers' compensation pursuant to this chapter whose name and social security number are the same as that of a person whose name or social security number was submitted by the director. The administrator also shall inform the auditor of state of the amount of workers' compensation paid to the person during such period as the director specifies.

The bureau and its employees, except for purposes of furnishing the auditor of state with information required by this section, shall preserve the confidentiality of recipients or participants of public assistance in compliance with division (A) of section 5101.181 of the Revised Code.

For the purposes of this section, "public assistance" means medical assistance provided through the medical assistance program established under section 5111.01 of the Revised Code, Ohio works first provided under Chapter 5107. of the Revised Code, prevention, retention, and contingency benefits and services provided under Chapter 5108. of the Revised Code, or disability financial assistance provided under Chapter 5115. of the Revised Code ~~, or disability medical assistance provided under Chapter 5115. of the Revised Code~~."

Between lines 69046 and 69047, insert:

"**Sec. 4731.65.** As used in sections 4731.65 to 4731.71 of the Revised Code:

(A)(1) "Clinical laboratory services" means either of the following:

(a) Any examination of materials derived from the human body for the purpose of providing information for the diagnosis, prevention, or treatment of any disease or impairment or for the assessment of health;

(b) Procedures to determine, measure, or otherwise describe the presence or absence of various substances or organisms in the body.

(2) "Clinical laboratory services" does not include the mere collection or preparation of specimens.

(B) "Designated health services" means any of the following:

(1) Clinical laboratory services;

(2) Home health care services;

(3) Outpatient prescription drugs.

(C) "Fair market value" means the value in arms-length transactions, consistent with general market value and:

(1) With respect to rentals or leases, the value of rental property for general commercial purposes, not taking into account its intended use;

(2) With respect to a lease of space, not adjusted to reflect the additional value the prospective lessee or lessor would attribute to the proximity or convenience to the lessor if the lessor is a potential source of referrals to the lessee.

(D) "Governmental health care program" means any program providing health care benefits that is administered by the federal government, this state, or a political subdivision of this state, including the medicare program established under Title XVIII of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301, as amended, health care coverage for public employees, health care benefits administered by the bureau of workers' compensation, the medicaid program established under Chapter 5111. of the Revised Code, ~~the disability medical assistance program established under Chapter 5115. of the Revised Code,~~ and the children's buy-in program established under sections 5101.5211 to 5101.5216 of the Revised Code.

(E)(1) "Group practice" means a group of two or more holders of certificates under this chapter legally organized as a partnership, professional corporation or association, limited liability company, foundation, nonprofit corporation, faculty practice plan, or similar group practice entity, including an organization comprised of a nonprofit medical clinic that contracts with a professional corporation or association of physicians to provide medical services exclusively to patients of the clinic in order to comply with section 1701.03 of the Revised Code and including a corporation, limited liability company, partnership, or professional association described in division (B) of section 4731.226 of the Revised Code formed for the purpose of providing a combination of the professional services of optometrists who are licensed, certificated, or otherwise legally authorized to practice optometry under Chapter 4725. of the Revised Code, chiropractors who are licensed, certificated, or otherwise legally authorized to practice chiropractic or acupuncture under Chapter 4734. of the Revised Code, psychologists who are licensed, certificated, or otherwise legally authorized to practice psychology under Chapter 4732. of the Revised Code, registered or licensed practical nurses who are licensed, certificated, or otherwise legally authorized to practice nursing under Chapter 4723. of the Revised Code, pharmacists who are licensed, certificated, or otherwise legally authorized to practice pharmacy under Chapter 4729. of the Revised Code, physical therapists who are licensed, certificated, or otherwise legally authorized to practice physical therapy under sections 4755.40 to 4755.56

of the Revised Code, occupational therapists who are licensed, certificated, or otherwise legally authorized to practice occupational therapy under sections 4755.04 to 4755.13 of the Revised Code, mechanotherapists who are licensed, certificated, or otherwise legally authorized to practice mechanotherapy under section 4731.151 of the Revised Code, and doctors of medicine and surgery, osteopathic medicine and surgery, or podiatric medicine and surgery who are licensed, certificated, or otherwise legally authorized for their respective practices under this chapter, to which all of the following apply:

(a) Each physician who is a member of the group practice provides substantially the full range of services that the physician routinely provides, including medical care, consultation, diagnosis, or treatment, through the joint use of shared office space, facilities, equipment, and personnel.

(b) Substantially all of the services of the members of the group are provided through the group and are billed in the name of the group and amounts so received are treated as receipts of the group.

(c) The overhead expenses of and the income from the practice are distributed in accordance with methods previously determined by members of the group.

(d) The group practice meets any other requirements that the state medical board applies in rules adopted under section 4731.70 of the Revised Code.

(2) In the case of a faculty practice plan associated with a hospital with a medical residency training program in which physician members may provide a variety of specialty services and provide professional services both within and outside the group, as well as perform other tasks such as research, the criteria in division (E)(1) of this section apply only with respect to services rendered within the faculty practice plan.

(F) "Home health care services" and "immediate family" have the same meanings as in the rules adopted under section 4731.70 of the Revised Code.

(G) "Hospital" has the same meaning as in section 3727.01 of the Revised Code.

(H) A "referral" includes both of the following:

(1) A request by a holder of a certificate under this chapter for an item or service, including a request for a consultation with another physician and any test or procedure ordered by or to be performed by or under the supervision of the other physician;

(2) A request for or establishment of a plan of care by a certificate holder that includes the provision of designated health services.

(I) "Third-party payer" has the same meaning as in section 3901.38 of the Revised Code.

Sec. 4731.71. The auditor of state may implement procedures to detect violations of section 4731.66 or 4731.69 of the Revised Code within governmental health care programs administered by the state. The auditor of state shall report any violation of either section to the state medical board and shall certify to the attorney general in accordance with section 131.02 of the Revised Code the amount of any refund owed to a state-administered governmental health care program under section 4731.69 of the Revised Code as a result of a violation. If a refund is owed to the medicaid program established under Chapter 5111. of the Revised Code ~~, the disability medical assistance program established under Chapter 5115. of the Revised Code,~~ or the children's buy-in program established under sections 5101.5211 to 5101.5216 of the Revised Code, the auditor of state also shall report the amount to the department of job and family services.

The state medical board also may implement procedures to detect violations of section 4731.66 or 4731.69 of the Revised Code."

In line 73294, after "(2)" strike through the balance of the line

Strike through lines 73295 and 73296

In line 73297, strike through "(3)"

In line 73300, strike through "(4)" and insert " (3)"

In line 73303, strike through "(5)" and insert " (4)"

In line 73305, strike through "(6)" and insert " (5)"

In line 73307, strike through "(7)" and insert " (6)"

In line 73315, strike through "Disability medical assistance;"

In line 73316, strike through "(g)"

Strike through line 73318

In line 73319, strike through "(i)" and insert " (g)"

In line 73321, strike through "(j)" and insert " (h)"

In line 73322, strike through "(8)" and insert " (7)"

In line 73332, strike through "disability medical assistance and"; strike through "those" and insert " that"

In line 73333, strike through "programs" and insert " program"

Between lines 73468 and 73469, insert:

"**Sec. 5101.181.** (A) As used in this section and section 5101.182 of the Revised Code, "public assistance" includes, in addition to Ohio works first, all of the following:

(1) Prevention, retention, and contingency;

(2) Medicaid;

(3) Disability financial assistance;

(4) ~~Disability medical assistance;~~

~~(5)~~ General assistance provided prior to July 17, 1995, under former Chapter 5113. of the Revised Code.

(B) As part of the procedure for the determination of overpayment to a recipient of public assistance under Chapter 5107., 5108., 5111., or 5115. of the Revised Code, the director of job and family services shall furnish quarterly the name and social security number of each individual who receives public assistance to the director of administrative services, the administrator of the bureau of workers' compensation, and each of the state's retirement boards. Within fourteen days after receiving the name and social security number of an individual who receives public assistance, the director of administrative services, administrator, or board shall inform the auditor of state as to whether such individual is receiving wages or benefits, the amount of any wages or benefits being received, the social security number, and the address of the individual. The director of administrative services, administrator, boards, and any agent or employee of those officials and boards shall comply with the rules of the director of job and family services restricting the disclosure of information regarding recipients of public assistance. Any person who violates this provision shall thereafter be disqualified from acting as an agent or employee or in any other capacity under appointment or employment of any state board, commission, or agency.

(C) The auditor of state may enter into a reciprocal agreement with the director of job and family services or comparable officer of any other state for the exchange of names, current or most recent addresses, or social security numbers of persons receiving public assistance under Title IV-A or under Title XIX of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as amended.

(D)(1) The auditor of state shall retain, for not less than two years, at least one copy of all information received under this section and sections 145.27, 742.41, 3307.20, 3309.22, 4123.27, 5101.182, and 5505.04 of the Revised Code. The auditor shall review the information to determine whether overpayments were made to recipients of public assistance under Chapters 5107., 5108., 5111., and 5115. of the Revised Code. The auditor of state shall initiate action leading to prosecution, where warranted, of recipients who received overpayments by forwarding the name of each recipient who received overpayment, together with other pertinent information, to the director of job and family services and the attorney general, to the district director of job and family services of the district through which public assistance was received, and to the county director of job and family services and county prosecutor of the county through which public assistance was received.

(2) The auditor of state and the attorney general or their designees may

examine any records, whether in computer or printed format, in the possession of the director of job and family services or any county director of job and family services. They shall provide safeguards which restrict access to such records to purposes directly connected with an audit or investigation, prosecution, or criminal or civil proceeding conducted in connection with the administration of the programs and shall comply with the rules of the director of job and family services restricting the disclosure of information regarding recipients of public assistance. Any person who violates this provision shall thereafter be disqualified from acting as an agent or employee or in any other capacity under appointment or employment of any state board, commission, or agency.

(3) Costs incurred by the auditor of state in carrying out the auditor of state's duties under this division shall be borne by the auditor of state."

In line 73499, strike through "Chapters" and insert " Chapter"; strike through "and 5115."

Between lines 73508 and 73509, insert:

"**Sec. 5101.31.** Any record, data, pricing information, or other information regarding a drug rebate agreement or a supplemental drug rebate agreement for the medicaid program established under Chapter 5111. of the Revised Code ~~or the disability medical assistance program established under section 5115.10 of the Revised Code~~ that the department of job and family services receives from a pharmaceutical manufacturer or creates pursuant to negotiation of the agreement is not a public record under section 149.43 of the Revised Code and shall be treated by the department as confidential information."

Between lines 73619 and 73620, insert:

"**Sec. 5101.36.** Any application for public assistance gives a right of subrogation to the department of job and family services for any workers' compensation benefits payable to a person who is subject to a support order, as defined in section 3119.01 of the Revised Code, on behalf of the applicant, to the extent of any public assistance payments made on the applicant's behalf. If the director of job and family services, in consultation with a child support enforcement agency and the administrator of the bureau of workers' compensation, determines that a person responsible for support payments to a recipient of public assistance is receiving workers' compensation, the director shall notify the administrator of the amount of the benefit to be paid to the department of job and family services.

For purposes of this section, "public assistance" means medical assistance provided through the medical assistance program established under section 5111.01 of the Revised Code; Ohio works first provided under Chapter 5107. of the Revised Code; prevention, retention, and contingency benefits and services provided under Chapter 5108. of the Revised Code; or disability financial assistance provided under Chapter 5115. of the Revised Code ~~; or disability medical assistance provided under Chapter 5115. of the Revised~~

."

In line 73972, after "(3)" strike through the balance of the line

Strike through line 73973

In line 73974, strike through "(4)"

Between lines 74055 and 74056, insert:

"**Sec. 5101.58.** (A) The acceptance of public assistance gives an automatic right of recovery to the department of job and family services and a county department of job and family services against the liability of a third party for the cost of medical assistance paid on behalf of the public assistance recipient or participant. When an action or claim is brought against a third party by a public assistance recipient or participant, any payment, settlement or compromise of the action or claim, or any court award or judgment, is subject to the recovery right of the department of job and family services or county department of job and family services. Except in the case of a recipient or participant who receives medical assistance through a managed care organization, the department's or county department's claim shall not exceed the amount of medical assistance paid by a department on behalf of the recipient or participant. A payment, settlement, compromise, judgment, or award that excludes the cost of medical assistance paid for by a department shall not preclude a department from enforcing its rights under this section.

(B) In the case of a recipient or participant who receives medical assistance through a managed care organization, the amount of the department's or county department's claim shall be the amount the managed care organization pays for medical assistance rendered to the recipient or participant, even if that amount is more than the amount a department pays to the managed care organization for the recipient's or participant's medical assistance.

(C) A recipient or participant, and the recipient's or participant's attorney, if any, shall cooperate with the departments. In furtherance of this requirement, the recipient or participant, or the recipient's or participant's attorney, if any, shall, not later than thirty days after initiating informal recovery activity or filing a legal recovery action against a third party, provide written notice of the activity or action to the ~~appropriate department or departments as follows:~~

~~(1) To only the~~ department of job and family services when medical assistance under medicaid or the children's buy-in program has been paid ~~;~~

~~(2) To the department of job and family services and the appropriate county department of job and family services when medical assistance under the disability medical assistance program has been paid~~.

(D) The written notice that must be given under division (C) of this section shall disclose the identity and address of any third party against whom the recipient or participant has or may have a right of recovery.

(E) No settlement, compromise, judgment, or award or any recovery in

any action or claim by a recipient or participant where the departments have a right of recovery shall be made final without first giving the appropriate departments written notice as described in division (C) of this section and a reasonable opportunity to perfect their rights of recovery. If the departments are not given the appropriate written notice, the recipient or participant and, if there is one, the recipient's or participant's attorney, are liable to reimburse the departments for the recovery received to the extent of medical payments made by the departments.

(F) The departments shall be permitted to enforce their recovery rights against the third party even though they accepted prior payments in discharge of their rights under this section if, at the time the departments received such payments, they were not aware that additional medical expenses had been incurred but had not yet been paid by the departments. The third party becomes liable to the department of job and family services or county department of job and family services as soon as the third party is notified in writing of the valid claims for recovery under this section.

(G)(1) Subject to division (G)(2) of this section, the right of recovery of a department does not apply to that portion of any judgment, award, settlement, or compromise of a claim, to the extent of attorneys' fees, costs, or other expenses incurred by a recipient or participant in securing the judgment, award, settlement, or compromise, or to the extent of medical, surgical, and hospital expenses paid by such recipient or participant from the recipient's or participant's own resources.

(2) Reasonable attorneys' fees, not to exceed one-third of the total judgment, award, settlement, or compromise, plus costs and other expenses incurred by the recipient or participant in securing the judgment, award, settlement, or compromise, shall first be deducted from the total judgment, award, settlement, or compromise. After fees, costs, and other expenses are deducted from the total judgment, award, settlement, or compromise, the department of job and family services or appropriate county department of job and family services shall receive no less than one-half of the remaining amount, or the actual amount of medical assistance paid, whichever is less.

(H) A right of recovery created by this section may be enforced separately or jointly by the department of job and family services or the appropriate county department of job and family services. To enforce their recovery rights, the departments may do any of the following:

(1) Intervene or join in any action or proceeding brought by the recipient or participant or on the recipient's or participant's behalf against any third party who may be liable for the cost of medical assistance paid;

(2) Institute and pursue legal proceedings against any third party who may be liable for the cost of medical assistance paid;

(3) Initiate legal proceedings in conjunction with any injured, diseased, or disabled recipient or participant or the recipient's or participant's attorney or

representative.

(I) A recipient or participant shall not assess attorney fees, costs, or other expenses against the department of job and family services or a county department of job and family services when the department or county department enforces its right of recovery created by this section.

(J) The right of recovery given to the department under this section does not include rights to support from any other person assigned to the state under sections 5107.20 and 5115.07 of the Revised Code, but includes payments made by a third party under contract with a person having a duty to support."

Between lines 78313 and 78314, insert:

"**Sec. 5112.03.** (A) The director of job and family services shall adopt, and may amend and rescind, rules in accordance with Chapter 119. of the Revised Code for the purpose of administering sections 5112.01 to 5112.21 of the Revised Code, including rules that do all of the following:

(1) Define as a "disproportionate share hospital" any hospital included under subsection (b) of section 1923 of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 1396r-4(b), as amended, and any other hospital the director determines appropriate;

(2) Prescribe the form for submission of cost reports under section 5112.04 of the Revised Code;

(3) Establish, in accordance with division (A) of section 5112.06 of the Revised Code, the assessment rate or rates to be applied to hospitals under that section;

(4) Establish schedules for hospitals to pay installments on their assessments under section 5112.06 of the Revised Code and for governmental hospitals to pay installments on their intergovernmental transfers under section 5112.07 of the Revised Code;

(5) Establish procedures to notify hospitals of adjustments made under division (B)(2)(b) of section 5112.06 of the Revised Code in the amount of installments on their assessment;

(6) Establish procedures to notify hospitals of adjustments made under division (D) of section 5112.09 of the Revised Code in the total amount of their assessment and to adjust for the remainder of the program year the amount of the installments on the assessments;

(7) Establish, in accordance with section 5112.08 of the Revised Code, the methodology for paying hospitals under that section.

The director shall consult with hospitals when adopting the rules required by divisions (A)(4) and (5) of this section in order to minimize hospitals' cash flow difficulties.

(B) Rules adopted under this section may provide that "total facility

costs" excludes costs associated with any of the following:

(1) Recipients of the medical assistance program;

(2) Recipients of financial assistance provided under Chapter 5115. of the Revised Code;

(3) ~~Recipients of medical assistance provided under Chapter 5115. of the Revised Code;~~

~~(4)~~ Recipients of the program for medically handicapped children established under section 3701.023 of the Revised Code;

~~(5)~~ (4) Recipients of the medicare program established under Title XVIII of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301, as amended:

~~(6)~~ (5) Recipients of Title V of the "Social Security Act";

~~(7)~~ (6) Any other category of costs deemed appropriate by the director in accordance with Title XIX of the "Social Security Act" and the rules adopted under that title.

Sec. 5112.08. The director of job and family services shall adopt rules under section 5112.03 of the Revised Code establishing a methodology to pay hospitals that is sufficient to expend all money in the indigent care pool. Under the rules:

(A) The department of job and family services may classify similar hospitals into groups and allocate funds for distribution within each group.

(B) The department shall establish a method of allocating funds to hospitals, taking into consideration the relative amount of indigent care provided by each hospital or group of hospitals. The amount to be allocated shall be based on any combination of the following indicators of indigent care that the director considers appropriate:

(1) Total costs, volume, or proportion of services to recipients of the medical assistance program, including recipients enrolled in health insuring corporations;

(2) Total costs, volume, or proportion of services to low-income patients in addition to recipients of the medical assistance program, which may include recipients of Title V of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301, as amended, and recipients of financial ~~or medical~~ assistance provided under Chapter 5115. of the Revised Code;

(3) The amount of uncompensated care provided by the hospital or group of hospitals;

(4) Other factors that the director considers to be appropriate indicators of indigent care.

(C) The department shall distribute funds to each hospital or group of hospitals in a manner that first may provide for an additional distribution to

individual hospitals that provide a high proportion of indigent care in relation to the total care provided by the hospital or in relation to other hospitals. The department shall establish a formula to distribute the remainder of the funds. The formula shall be consistent with section 1923 of the "Social Security Act," 42 U.S.C.A. 1396r-4, as amended, shall be based on any combination of the indicators of indigent care listed in division (B) of this section that the director considers appropriate.

(D) The department shall distribute funds to each hospital in installments not later than ten working days after the deadline established in rules for each hospital to pay an installment on its assessment under section 5112.06 of the Revised Code. In the case of a governmental hospital that makes intergovernmental transfers, the department shall pay an installment under this section not later than ten working days after the earlier of that deadline or the deadline established in rules for the governmental hospital to pay an installment on its intergovernmental transfer. If the amount in the hospital care assurance program fund created under section 5112.18 of the Revised Code and the portion of the health care - federal fund created under section 5111.943 of the Revised Code that is credited to that fund pursuant to division (B) of section 5112.18 of the Revised Code are insufficient to make the total distributions for which hospitals are eligible to receive in any period, the department shall reduce the amount of each distribution by the percentage by which the amount and portion are insufficient. The department shall distribute to hospitals any amounts not distributed in the period in which they are due as soon as moneys are available in the funds.

Sec. 5112.17. (A) As used in this section:

(1) "Federal poverty guideline" means the official poverty guideline as revised annually by the United States secretary of health and human services in accordance with section 673 of the "Community Service Block Grant Act," 95 Stat. 511 (1981), 42 U.S.C.A. 9902, as amended, for a family size equal to the size of the family of the person whose income is being determined.

(2) "Third-party payer" means any private or public entity or program that may be liable by law or contract to make payment to or on behalf of an individual for health care services. "Third-party payer" does not include a hospital.

(B) Each hospital that receives funds distributed under sections 5112.01 to 5112.21 of the Revised Code shall provide, without charge to the individual, basic, medically necessary hospital-level services to individuals who are residents of this state, are not recipients of the medical assistance program, and whose income is at or below the federal poverty guideline. Recipients of disability financial assistance ~~and recipients of disability medical assistance~~ provided under Chapter 5115. of the Revised Code qualify for services under this section. The director of job and family services shall adopt rules under section 5112.03 of the Revised Code specifying the hospital services to be provided under this section.

(C) Nothing in this section shall be construed to prevent a hospital from requiring an individual to apply for eligibility under the medical assistance program before the hospital processes an application under this section. Hospitals may bill any third-party payer for services rendered under this section. Hospitals may bill the medical assistance program, in accordance with Chapter 5111. of the Revised Code and the rules adopted under that chapter, for services rendered under this section if the individual becomes a recipient of the program. Hospitals may bill individuals for services under this section if all of the following apply:

(1) The hospital has an established post-billing procedure for determining the individual's income and canceling the charges if the individual is found to qualify for services under this section.

(2) The initial bill, and at least the first follow-up bill, is accompanied by a written statement that does all of the following:

(a) Explains that individuals with income at or below the federal poverty guideline are eligible for services without charge;

(b) Specifies the federal poverty guideline for individuals and families of various sizes at the time the bill is sent;

(c) Describes the procedure required by division (C)(1) of this section.

(3) The hospital complies with any additional rules the department adopts under section 5112.03 of the Revised Code.

Notwithstanding division (B) of this section, a hospital providing care to an individual under this section is subrogated to the rights of any individual to receive compensation or benefits from any person or governmental entity for the hospital goods and services rendered.

(D) Each hospital shall collect and report to the department, in the form and manner prescribed by the department, information on the number and identity of patients served pursuant to this section.

(E) This section applies beginning May 22, 1992, regardless of whether the department has adopted rules specifying the services to be provided. Nothing in this section alters the scope or limits the obligation of any governmental entity or program, including the program awarding reparations to victims of crime under sections 2743.51 to 2743.72 of the Revised Code and the program for medically handicapped children established under section 3701.023 of the Revised Code, to pay for hospital services in accordance with state or local law."

Between lines 78394 and 78395, insert:

"**Sec. 5115.20.** (A) The department of job and family services shall establish a disability advocacy program and each county department of job and family services shall establish a disability advocacy program unit or join with other county departments of job and family services to establish a joint county disability advocacy program unit. Through the program the department and

county departments shall cooperate in efforts to assist applicants for and recipients of assistance under the disability financial assistance program ~~and the disability medical assistance program~~, who might be eligible for supplemental security income benefits under Title XVI of the "Social Security Act," 86 Stat. 1475 (1972), 42 U.S.C.A. 1383, as amended, in applying for those benefits.

As part of their disability advocacy programs, the state department and county departments may enter into contracts for the services of persons and government entities that in the judgment of the department or county department have demonstrated expertise in representing persons seeking supplemental security income benefits. Each contract shall require the person or entity with which a department contracts to assess each person referred to it by the department to determine whether the person appears to be eligible for supplemental security income benefits, and, if the person appears to be eligible, assist the person in applying and represent the person in any proceeding of the social security administration, including any appeal or reconsideration of a denial of benefits. The department or county department shall provide to the person or entity with which it contracts all records in its possession relevant to the application for supplemental security income benefits. The department shall require a county department with relevant records to submit them to the person or entity.

(B) Each applicant for or recipient of disability financial assistance ~~or disability medical assistance~~ who, in the judgment of the department or a county department might be eligible for supplemental security benefits, shall, as a condition of eligibility for assistance, apply for such benefits if directed to do so by the department or county department.

(C) With regard to applicants for and recipients of disability financial assistance ~~or disability medical assistance~~, each county department of job and family services shall do all of the following:

(1) Identify applicants and recipients who might be eligible for supplemental security income benefits;

(2) Assist applicants and recipients in securing documentation of disabling conditions or refer them for such assistance to a person or government entity with which the department or county department has contracted under division (A) of this section;

(3) Inform applicants and recipients of available sources of representation, which may include a person or government entity with which the department or county department has contracted under division (A) of this section, and of their right to represent themselves in reconsiderations and appeals of social security administration decisions that deny them supplemental security income benefits. The county department may require the applicants and recipients, as a condition of eligibility for assistance, to pursue reconsiderations and appeals of social security administration decisions that deny them supplemental security income benefits, and shall assist applicants and recipients as necessary to obtain such benefits or refer them to a person or government

entity with which the department or county department has contracted under division (A) of this section.

(4) Require applicants and recipients who, in the judgment of the county department, are or may be aged, blind, or disabled, to apply for medical assistance under Chapter 5111. of the Revised Code, make determinations when appropriate as to eligibility for medical assistance, and refer their applications when necessary to the disability determination unit established in accordance with division (F) of this section for expedited review;

(5) Require each applicant and recipient who in the judgment of the department or the county department might be eligible for supplemental security income benefits, as a condition of eligibility for disability financial assistance ~~or disability medical assistance~~, to execute a written authorization for the secretary of health and human services to withhold benefits due that individual and pay to the director of job and family services or the director's designee an amount sufficient to reimburse the state and county shares of interim assistance furnished to the individual. For the purposes of division (C)(5) of this section, "benefits" and "interim assistance" have the meanings given in Title XVI of the "Social Security Act."

(D) The director of job and family services shall adopt rules in accordance with section 111.15 of the Revised Code for the effective administration of the disability advocacy program. The rules shall include all of the following:

(1) Methods to be used in collecting information from and disseminating it to county departments, including the following:

(a) The number of individuals in the county who are disabled recipients of disability financial assistance ~~or disability medical assistance~~;

(b) The final decision made either by the social security administration or by a court for each application or reconsideration in which an individual was assisted pursuant to this section.

(2) The type and process of training to be provided by the department of job and family services to the employees of the county department of job and family services who perform duties under this section;

(3) Requirements for the written authorization required by division (C)(5) of this section.

(E) The department shall provide basic and continuing training to employees of the county department of job and family services who perform duties under this section. Training shall include but not be limited to all processes necessary to obtain federal disability benefits, and methods of advocacy.

(F) The department shall establish a disability determination unit and develop guidelines for expediting reviews of applications for medical assistance

under Chapter 5111. of the Revised Code for persons who have been referred to the unit under division (C)(4) of this section. The department shall make determinations of eligibility for medical assistance for any such person within the time prescribed by federal regulations.

(G) The department may, under rules the director of job and family services adopts in accordance with section 111.15 of the Revised Code, pay a portion of the federal reimbursement described in division (C)(5) of this section to persons or government entities that assist or represent assistance recipients in reconsiderations and appeals of social security administration decisions denying them supplemental security income benefits.

(H) The director shall conduct investigations to determine whether disability advocacy programs are being administered in compliance with the Revised Code and the rules adopted by the director pursuant to this section.

Sec. 5115.22. (A) If a recipient of disability financial assistance ~~or disability medical assistance~~, or an individual whose income and resources are included in determining the recipient's eligibility for the assistance, becomes possessed of resources or income in excess of the amount allowed to retain eligibility, or if other changes occur that affect the recipient's eligibility or need for assistance, the recipient shall notify the state or county department of job and family services within the time limits specified in rules adopted by the director of job and family services in accordance with section 111.15 of the Revised Code. Failure of a recipient to report possession of excess resources or income or a change affecting eligibility or need within those time limits shall be considered prima-facie evidence of intent to defraud under section 5115.23 of the Revised Code.

(B) As a condition of eligibility for disability financial assistance ~~or disability medical assistance~~, and as a means of preventing or reducing the provision of assistance at public expense, each applicant for or recipient of the assistance shall make reasonable efforts to secure support from persons responsible for the applicant's or recipient's support, and from other sources, including any federal program designed to provide assistance to individuals with disabilities. The state or county department of job and family services may provide assistance to the applicant or recipient in securing other forms of financial assistance.

Sec. 5115.23. As used in this section, "erroneous payments" means disability financial assistance payments ~~or disability medical assistance payments~~ made to persons who are not entitled to receive them, including payments made as a result of misrepresentation or fraud, and payments made due to an error by the recipient or by the county department of job and family services that made the payment.

The department of job and family services shall adopt rules in accordance with section 111.15 of the Revised Code specifying the circumstances under which action is to be taken under this section to recover erroneous payments.

The department, or a county department of job and family services at the request of the department, shall take action to recover erroneous payments in the circumstances specified in the rules. The department or county department may institute a civil action to recover erroneous payments.

Whenever disability financial assistance ~~or disability medical assistance~~ has been furnished to a recipient for whose support another person is responsible, the other person shall, in addition to the liability otherwise imposed, as a consequence of failure to support the recipient, be liable for all assistance furnished the recipient. The value of the assistance so furnished may be recovered in a civil action brought by the county department of job and family services.

Each county department of job and family services shall retain fifty per cent of the erroneous payments it recovers under this section. The department of job and family services shall receive the remaining fifty per cent."

In line 90795, after "9.03," insert "9.24,"

In line 90806, after "127.16," insert "131.23,"

In line 90811, after "173.50," insert "173.71, 173.76,"

In line 90816, after "321.261," insert "323.01,"; after "329.03," insert "329.04,"; after "329.042," insert "329.051,"

In line 90837, after "2303.201," insert "2305.234,"

In line 90838, after "2743.51," insert "2744.05,"

In line 90840, after "3105.87," insert "3111.04,"; after "3119.01," insert "3119.54,"

In line 90860, after "3702.61," insert "3702.74,"

In line 90878, after "4117.24," insert "4123.27,"

In line 90890, after "4731.38," insert "4731.65, 4731.71,"

In line 90898, after "5101.162," insert "5101.181,"; after "5101.26," insert "5101.31,"

In line 90899, after "5101.34," insert "5101.36,"

In line 90900, after "5101.573," insert "5101.58,"

In line 90908, after "5111.971," insert "5112.03, 5112.08, 5112.17,"; after "5112.371," insert "5115.20, 5115.22, 5115.23,"

In line 90950, after "5101.072," insert "5115.10, 5115.11, 5115.12, 5115.13, 5115.14,"

In line 97795, after "(d)" delete the balance of the line

Delete line 97796

In line 97797, delete "(e)"

In line 97799, delete "(f)" and insert "(e)"

In line 98076, after "agencies" delete the balance of the line

Delete lines 98077 through 98079

In line 98080, delete "Chapter 5111. of the Revised Code"

In line 98631, delete "Disability Medical Assistance"

In line 98632, delete the first "Program,"

In line 106598, delete "division (D)(34) takes" and insert "divisions (D)(2) and (34) take"

After line 106654, insert:

"**Section 815.20.** The amendment of sections 5112.03 and 5112.08 of the Revised Code is not intended to supersede the earlier repeal, with delayed effective date, of that section."

In line 1 of the title, after "9.03," insert "9.24,"

In line 16 of the title, after "127.16," insert "131.23,"

In line 22 of the title, after "173.50," insert "173.71, 173.76,"

In line 28 of the title, after "321.261," insert "323.01,"

In line 29 of the title, after "329.03," insert "329.04,"; after "329.042," insert "329.051,"

In line 58 of the title, after "2303.201," insert "2305.234,"

In line 59 of the title, after "2743.51," insert "2744.05,"

In line 62 of the title, after "3105.87," insert "3111.04,"; after "3119.01," insert "3119.54,"

In line 90 of the title, after "3702.61," insert "3702.74,"

In line 114 of the title, after "4117.24," insert "4123.27,"

In line 131 of the title, after "4731.38," insert "4731.65, 4731.71,"

In line 142 of the title, after "5101.162," insert "5101.181,"

In line 143 of the title, after "5101.26," insert "5101.31,"; after "5101.34," insert "5101.36,"

In line 145 of the title, after "5101.573," insert "5101.58,"

In line 154 of the title, after "5111.971," insert "5112.03, 5112.08, 5112.17"

In line 155 of the title, after "5112.371," insert "5115.20, 5115.22, 5115.23,"

In line 243 of the title, after "5101.072," insert "5115.10, 5115.11, 5115.12, 5115.13, 5115.14,"

In line 341, delete "3301.42," and insert "3301.46,"; after "3302.03," insert "3302.032,"

In line 343, after "3313.603," insert "3313.6013,"

In line 350, after "3323.05," insert "3326.02, 3326.03, 3326.04, 3326.05, 3326.06, 3326.07, 3326.08,"; after "3326.11," insert "3326.20,"; after "3326.36," insert "3326.51,"

In line 352, after "3345.011," insert "3345.062,"

Delete lines 34072 through 34151 and insert:

"**Sec. 3301.46.** Not later than April 30, 2009, the department of education and the chancellor of the Ohio board of regents jointly shall propose a standard method and form for documenting on high school transcripts high school credits earned that are compatible with the standards for credit transfer and articulation adopted ~~by the board of regents~~ under sections 3333.16 and 3333.161 of the Revised Code and any electronic clearinghouse for student transcript transfer developed by the ~~board of regents~~ chancellor. The proposal shall be submitted to the state board of education, ~~the chancellor of the board of regents, the partnership for continued learning,~~ the governor, the speaker and minority leader of the house of representatives, the president and minority leader of the senate, and the chairpersons and ranking minority members of the standing committees of the house of representatives and the senate that consider education legislation."

Between lines 35502 and 35503, insert:

"**Sec. 3302.032.** Not later than June 30, 2012, the state board of education shall select one or more methods of measuring high school graduates' preparedness for higher education and the workforce. The measures may include, but need not be limited to, ~~student performance on the assessments recommended under section 3301.43 of the Revised Code,~~ the percentage of students who earn credit toward a degree from an institution of higher education while enrolled in high school ~~,~~ or the percentage of students who take remedial coursework upon enrollment in an institution of higher education.

The department of education annually shall include the school district's or school building's performance on each applicable measure on the report card issued for that district or building under section 3302.03 of the Revised Code, beginning with the report cards issued for the 2012-2013 school year. The department shall not apply the measures to the school district's or building's rating under division (B) of that section. Prior to selecting the measures, the state board shall consult with the ~~partnership for continued learning and~~ chancellor of the Ohio board of regents."

In line 36881, strike through the first comma and insert " and the

chancellor of"; strike through ", and the partnership"

In line 36882, strike through "for continued learning"

In line 36929, strike through "partnership for continued learning" and insert " department of education"

In line 36930, strike through "the department of education and"; after the second "the" insert " chancellor of the"

In line 36934, strike through "partnership" and insert " department"

In line 37034, after "with" insert " the chancellor of"

In line 37035, strike through "and the partnership for continued learning"

Between lines 37085 and 37086, insert:

"**Sec. 3313.6013.** (A) As used in this section, "dual enrollment program" means a program that enables a student to earn credit toward a degree from an institution of higher education while enrolled in high school or that enables a student to complete coursework while enrolled in high school that may earn credit toward a degree from an institution of higher education upon the student's attainment of a specified score on an examination covering the coursework. Dual enrollment programs may include any of the following:

(1) The post-secondary enrollment options program established under Chapter 3365. of the Revised Code;

(2) Advanced placement courses;

(3) Any similar program established pursuant to an agreement between a school district or chartered nonpublic high school and an institution of higher education.

(B) Each city, local, exempted village, and joint vocational school district and each chartered nonpublic high school shall provide students enrolled in grades nine through twelve with the opportunity to participate in a dual enrollment program. For this purpose, each school district and chartered nonpublic high school shall offer at least one dual enrollment program in accordance with division (B)(1) or (2) of this section, as applicable.

(1) A city, local, or exempted village school district meets the requirements of this division through its mandatory participation in the post-secondary enrollment options program established under Chapter 3365. of the Revised Code. However, a city, local, or exempted village school district may offer any other dual enrollment program, in addition to the post-secondary enrollment options program, and each joint vocational school district shall offer at least one other duel enrollment program, to students in good standing, as defined by the partnership for continued learning under section 3301.42 of the Revised Code as it existed prior to the effective date of this amendment or as subsequently defined by the department of education.

(2) A chartered nonpublic high school that elects to participate in the

post-secondary enrollment options program established under Chapter 3365. of the Revised Code meets the requirements of this division. Each chartered nonpublic high school that elects not to participate in the post-secondary enrollment options program instead shall offer at least one other dual enrollment program to students in good standing, as defined by the partnership for continued learning under section 3301.42 of the Revised Code as it existed prior to the effective date of this amendment or as subsequently defined by the department of education.

(C) Each school district and each chartered nonpublic high school shall provide information about the dual enrollment programs offered by the district or school to all students enrolled in grades eight through eleven."

In line 42265, after the first comma insert " and"; strike through ", and the"

In line 42266, strike through "partnership for continued learning"

Between lines 43394 and 43395, insert:

"**Sec. 3326.02.** There is hereby established a STEM ~~subcommittee of the partnership for continued learning~~ committee consisting of the following members:

(A) The superintendent of public instruction;

(B) The chancellor of the Ohio board of regents;

(C) The director of development;

(D) Four members of the public, two of whom shall be appointed by the governor, one of whom shall be appointed by the speaker of the house of representatives, and one of whom shall be appointed by the president of the senate. Members of the public shall be appointed based on their expertise in business or in STEM fields ~~and shall not be at-large members of the partnership for continued learning~~. The initial members of the ~~subcommittee~~ committee shall be appointed under division (D) of this section not later than forty-five days after ~~the effective date of this section~~ June 30, 2007.

All members of the ~~subcommittee~~ committee appointed under division (D) of this section shall serve at the pleasure of their appointing authority.

Members of the ~~subcommittee~~ committee shall receive no compensation for their services. The department of education shall provide administrative support for the committee.

Sec. 3326.03. (A) The STEM ~~subcommittee~~ committee shall authorize the establishment of and award grants to science, technology, engineering, and mathematics schools through a request for proposals.

The STEM ~~subcommittee~~ committee may approve up to five STEM schools to operate under this chapter in the school year that begins July 1, 2008. The limit prescribed in this paragraph does not affect the number of schools that

may be approved for operation in subsequent school years.

No STEM school established under this chapter may open for instruction earlier than July 1, 2008.

The ~~subcommittee~~ committee shall determine the criteria for the proposals, accept and evaluate the proposals, and choose which proposals to approve to become a STEM school and to receive grants. In approving proposals for STEM schools, the ~~subcommittee~~ committee shall consider locating the schools in diverse geographic regions of the state so that all students have access to a STEM school.

(B) Proposals may be submitted only by a partnership of public and private entities consisting of at least all of the following:

(1) A city, exempted village, local, or joint vocational school district;

(2) Higher education entities;

(3) Business organizations.

(C) Each proposal shall include at least the following:

(1) Assurances that the STEM school will be under the oversight of a governing body and a description of the members of that governing body and how they will be selected;

(2) Assurances that the STEM school will operate in compliance with this chapter and the provisions of the proposal as accepted by the ~~subcommittee~~ committee;

(3) Evidence that the school will offer a rigorous, diverse, integrated, and project-based curriculum to students in any of grades six through twelve, with the goal to prepare those students for college, the workforce, and citizenship, and that does all of the following:

(a) Emphasizes the role of science, technology, engineering, and mathematics in promoting innovation and economic progress;

(b) Incorporates scientific inquiry and technological design;

(c) Includes the arts and humanities;

(d) Emphasizes personalized learning and teamwork skills.

(4) Evidence that the school will attract school leaders who support the curriculum principles of division (C)(3) of this section;

(5) A description of how the school's curriculum will be developed and approved in accordance with section 3326.09 of the Revised Code;

(6) Evidence that the school will utilize an established capacity to capture and share knowledge for best practices and innovative professional development;

(7) Evidence that the school will operate in collaboration with a partnership that includes institutions of higher education and businesses;

(8) Assurances that the school has received commitments of sustained and verifiable fiscal and in-kind support from regional education and business entities;

(9) A description of how the school's assets will be distributed if the school closes for any reason.

Sec. 3326.04. (A) The STEM ~~subcommittee~~ committee shall award grants to support the operation of STEM programs of excellence to serve students in any of grades kindergarten through eight through a request for proposals.

(B) Proposals may be submitted by any of the following:

(1) The board of education of a city, exempted village, or local school district;

(2) The governing authority of a community school established under Chapter 3314. of the Revised Code.

(C) Each proposal shall demonstrate to the satisfaction of the STEM ~~subcommittee~~ committee that the program meets at least the following standards:

(1) The program will serve all students enrolled in the district or school in the grades for which the program is designed.

(2) The program will offer a rigorous and diverse curriculum that is based on scientific inquiry and technological design, that emphasizes personalized learning and teamwork skills, and that will expose students to advanced scientific concepts within and outside the classroom.

(3) The program will not limit participation of students on the basis of intellectual ability, measures of achievement, or aptitude.

(4) The program will utilize an established capacity to capture and share knowledge for best practices and innovative professional development.

(5) The program will operate in collaboration with a partnership that includes institutions of higher education and businesses.

(6) The program will include teacher professional development strategies that are augmented by community and business partners.

(D) The STEM ~~subcommittee~~ committee shall give priority to proposals for new or expanding innovative programs.

Sec. 3326.05. The ~~partnership for continued learning, through the~~ STEM ~~subcommittee,~~ committee may make recommendations to the general assembly and the governor for the training of STEM educators.

Sec. 3326.06. The ~~partnership for continued learning, through the~~ STEM ~~subcommittee,~~ committee shall work with an Ohio-based nonprofit enterprise selected by the ~~subcommittee~~ committee to support the strategic and operational coordination of public and private STEM education initiatives and resources

focused on curriculum development, instruction, assessment, teacher quality enhancement, leadership recruitment and training, and community engagement. The nonprofit enterprise selected by the STEM ~~subcommittee~~ committee shall have the proven ability to accumulate resources to enhance education quality across the educational continuum, from preschool to college, shall have experience in large-scale management of science and technology resources, and shall have a documented institutional mission to advance STEM education.

Sec. 3326.07. Each science, technology, engineering, and mathematics school established under this chapter is a public school, is part of the state's program of education, and may continue in operation for as long as the school is in compliance with the provisions of this chapter and with the proposal for its establishment as approved by the STEM ~~subcommittee~~ committee. If the school closes for any reason, its assets shall be distributed in the manner provided in the proposal for its establishment as required by division (C)(9) of section 3326.03 of the Revised Code.

Sec. 3326.08. (A) The governing body of each science, technology, engineering, and mathematics school shall employ and fix the compensation for the administrative officers, teachers, and nonteaching employees of the STEM school necessary for the school to carry out its mission and shall oversee the operations of the school. The governing body of each STEM school shall employ a chief administrative officer to serve as the school's instructional and administrative leader. The chief administrative officer shall be granted the authority to oversee the recruitment, retention, and employment of teachers and nonteaching employees.

(B) The department of education shall monitor the oversight of each STEM school exercised by the school's governing body and shall monitor the school's compliance with this chapter and with the proposal for the establishment of the school as it was approved by the STEM ~~subcommittee of the partnership for continued learning~~ committee under section 3326.04 of the Revised Code. If the department finds that the school is not in compliance with this chapter or with the proposal, the department shall consult with the STEM ~~subcommittee~~ committee, and the ~~subcommittee~~ committee may order the school to close on the last day of the school year in which the ~~subcommittee~~ committee issues its order.

(C) The governing body of each STEM school shall comply with sections 121.22 and 149.43 of the Revised Code."

Between lines 43411 and 43412, insert:

"**Sec. 3326.20.** (A) As used in this section, "native student" means a student entitled to attend school in the school district under section 3313.64 or 3313.65 of the Revised Code.

(B) Unless the proposal for the establishment of a science, technology, engineering, and mathematics school, as it was approved by the STEM ~~subcommittee of the partnership for continued learning~~ committee under section

3326.03 of the Revised Code, otherwise provides for the transportation of students to and from the STEM school, the board of education of each city, local, and exempted village school district shall provide transportation to and from school for its district's native students enrolled in the STEM school in the same manner that section 3327.01 of the Revised Code requires for its native students enrolled in nonpublic schools."

Between lines 43420 and 43421, insert:

Sec. 3326.51. (A) As used in this section:

(1) "Resident district" has the same meaning as in section 3326.31 of the Revised Code.

(2) "STEM school sponsoring district" means a municipal, city, local, exempted village, or joint vocational school district that governs and controls a STEM school pursuant to this section.

(B) Notwithstanding any other provision of this chapter to the contrary:

(1) If a proposal for a STEM school submitted under section 3326.03 of the Revised Code proposes that the governing body of the school be the board of education of a municipal, city, local, exempted village, or joint vocational school district that is one of the partners submitting the proposal, and the ~~partnership for continued learning~~ STEM committee approves that proposal, that school district board shall govern and control the STEM school as one of the schools of its district.

(2) The STEM school sponsoring district shall maintain a separate accounting for the STEM school as a separate and distinct operational unit within the district's finances. The auditor of state, in the course of an annual or biennial audit of the school district serving as the STEM school sponsoring district, shall audit that school district for compliance with the financing requirements of this section.

(3) With respect to students enrolled in a STEM school whose resident district is the STEM school sponsoring district:

(a) The department of education shall make no deductions under section 3326.33 of the Revised Code from the STEM school sponsoring district's state payments.

(b) The STEM school sponsoring district shall ensure that it allocates to the STEM school funds equal to or exceeding the amount that would be calculated pursuant to division (B) of section 3313.981 of the Revised Code for the students attending the school whose resident district is the STEM school sponsoring district.

(c) The STEM school sponsoring district is responsible for providing children with disabilities with a free appropriate public education under Chapter 3323. of the Revised Code.

(d) The STEM school sponsoring district shall provide student

transportation in accordance with laws and policies generally applicable to the district.

(4) With respect to students enrolled in the STEM school whose resident district is another school district, the department shall make no payments or deductions under sections 3326.31 to 3326.49 of the Revised Code. Instead, the students shall be considered as open enrollment students and the department shall make payments and deductions in accordance with section 3313.981 of the Revised Code. The STEM school sponsoring district shall allocate the payments to the STEM school. The STEM school sponsoring district may enter into financial agreements with the students' resident districts, which agreements may provide financial support in addition to the funds received from the open enrollment calculation. The STEM school sponsoring district shall allocate all such additional funds to the STEM school.

(5) Where the department is required to make, deny, reduce, or adjust payments to a STEM school sponsoring district pursuant to this section, it shall do so in such a manner that the STEM school sponsoring district may allocate that action to the STEM school.

(6) A STEM school sponsoring district and its board may assign its district employees to the STEM school, in which case section 3326.18 of the Revised Code shall not apply. The district and board may apply any other resources of the district to the STEM school in the same manner that it applies district resources to other district schools.

(7) Provisions of this chapter requiring a STEM school and its governing body to comply with specified laws as if it were a school district and in the same manner as a board of education shall instead require such compliance by the STEM school sponsoring district and its board of education, respectively, with respect to the STEM school. Where a STEM school or its governing body is required to perform a specific duty or permitted to take a specific action under this chapter, that duty is required to be performed or that action is permitted to be taken by the STEM school sponsoring district or its board of education, respectively, with respect to the STEM school.

(8) No provision of this chapter limits the authority, as provided otherwise by law, of a school district and its board of education to levy taxes and issue bonds secured by tax revenues.

(9) The treasurer of the STEM school sponsoring district or, if the STEM school sponsoring district is a municipal school district, the chief financial officer of the district, shall have all of the respective rights, authority, exemptions, and duties otherwise conferred upon the treasurer or chief financial officer by the Revised Code."

Between lines 45475 and 45476, insert:

"**Sec. 3345.062.** If the partnership for continued learning, after consulting with the Ohio board of regents and the state board of education, does not

complete and submit recommendations for legislative changes for the operation of the post-secondary enrollment options program, as required by division (B) of section 3301.42 of the Revised Code as it existed prior to the effective date of this amendment, by the deadline prescribed in that division, each state university, as defined in section 3345.011 of the Revised Code, shall offer via the internet or interactive distance learning at least two college level courses, one each in science and mathematics, by which high school students may earn both high school and college credit. During such course, the university may include a single presentation, of not more than two minutes in length, that describes its other programs and courses. The university may assess a fee for the course required under this section of not more than one-tenth of the amount per credit hour normally assessed by the university for an undergraduate course at its main campus."

In line 90843, delete "3301.42," and insert "3301.46,"; after "3302.03," insert "3302.032,"

In line 90845, after "3313.603," insert "3313.6013,"

In line 90852, after "3323.05," insert "3326.02, 3326.03, 3326.04, 3326.05, 3326.06, 3326.07, 3326.08,"; after "3326.11," insert "3326.20,"; after "3326.36," insert "3326.51,"

In line 90854, after "3345.011," insert "3345.062,"

In line 90943, after "1711.58," insert "3301.41, 3301.42,"

In line 93717, delete "$11,228,147 $11,228,147" and insert "$11,078,147 $11,078,147"

In line 93751, subtract $150,000 from each fiscal year

In line 93826, subtract $150,000 from each fiscal year

Delete lines 93834 through 93844

In line 65 of the title, delete "3301.42," and insert "3301.46,"

In line 66 of the title, after "3302.03," insert "3302.032,"

In line 68 of the title, after "3313.603," insert "3313.6013,"

In line 77 of the title, after "3323.05," insert "3326.02, 3326.03, 3326.04, 3326.05, 3326.06, 3326.07, 3326.08,"; after "3326.11," insert "3326.20,"

In line 78 of the title, after "3326.36," insert "3326.51,"

In line 81 of the title, after "3345.011," insert "3345.062,"

In line 234 of the title, after "1711.58," insert "3301.41, 3301.42,"

In line 314, after "323.156," insert "323.73, 323.74, 323.77, 323.78,"

In line 332, after "1721.211," insert "1724.02,"

In line 412, after "5721.03," insert "5721.32, 5721.33, 5722.02, 5722.04,

5722.21, 5723.04,"

Between lines 19365 and 19366, insert:

"**Sec. 323.73.** (A) Except as provided in division (G) of this section or section 323.78 of the Revised Code, a parcel of abandoned land that is to be disposed of under this section shall be disposed of at a public auction scheduled and conducted as described in this section. At least twenty-one days prior to the date of the public auction, the clerk of court or sheriff of the county shall advertise the public auction in a newspaper of general circulation in the county in which the land is located. The advertisement shall include the date, time, and place of the auction, the permanent parcel number of the land if a permanent parcel number system is in effect in the county as provided in section 319.28 of the Revised Code or, if a permanent parcel number system is not in effect, any other means of identifying the parcel, and a notice stating that the abandoned land is to be sold subject to the terms of sections 323.65 to 323.79 of the Revised Code.

(B) The sheriff of the county or a designee of the sheriff shall conduct the public auction at which the abandoned land will be offered for sale. To qualify as a bidder, a person shall file with the sheriff on a form provided by the sheriff a written acknowledgment that the abandoned land being offered for sale is to be conveyed in fee simple to the successful bidder. At the auction, the sheriff of the county or a designee of the sheriff shall begin the bidding at an amount equal to the total of the impositions against the abandoned land, plus the costs apportioned to the land under section 323.75 of the Revised Code. The abandoned land shall be sold to the highest bidder. The county sheriff or designee may reject any and all bids not meeting the minimum bid requirements specified in this division.

(C) Except as otherwise permitted under section 323.74 of the Revised Code, the successful bidder at a public auction conducted under this section shall pay the sheriff of the county or a designee of the sheriff a deposit of at least ten per cent of the purchase price in cash, or by bank draft or official bank check, at the time of the public auction, and shall pay the balance of the purchase price within thirty days after the day on which the auction was held. Notwithstanding section 321.261 of the Revised Code, with respect to any proceedings initiated pursuant to sections 323.65 to 323.79 of the Revised Code, from the total proceeds arising from the sale, transfer, or redemption of abandoned land, twenty per cent of such proceeds shall be deposited to the credit of the delinquent tax and assessment collection fund to reimburse the fund for costs paid from the fund for the transfer, redemption, or sale of abandoned land at public auction. Not more than one-half of the twenty per cent may be used by the treasurer for community development, nuisance abatement, foreclosure prevention, demolition, and related services or distributed by the treasurer to a land reutilization corporation. The balance of the proceeds, if any, shall be distributed to the appropriate political subdivisions and other taxing units in proportion to their respective claims for taxes, assessments, interest, and

penalties on the land. Upon the sale of foreclosed lands, the clerk of court shall hold any surplus proceeds in excess of the impositions until the clerk receives an order of priority and amount of distribution of the surplus that are adjudicated by a court of competent jurisdiction or receives a certified copy of an agreement between the parties entitled to a share of the surplus providing for the priority and distribution of the surplus. Any party to the action claiming a right to distribution of surplus shall have a separate cause of action in the county or municipal court of the jurisdiction in which the land reposes, provided the board confirms the transfer or regularity of the sale. Any dispute over the distribution of the surplus shall not affect or revive the equity of redemption after the board confirms the transfer or sale.

(D) Upon the sale or transfer of abandoned land pursuant to this section, the owner's fee simple interest in the land shall be conveyed to the purchaser. A conveyance under this division is free and clear of any liens and encumbrances of the parties named in the complaint for foreclosure attaching before the sale or transfer, and free and clear of any liens for taxes, except for federal tax liens and covenants and easements of record attaching before the sale.

(E) The county board of revision shall reject the sale of abandoned land to any person if it is shown by a preponderance of the evidence that the person is delinquent in the payment of taxes levied by or pursuant to Chapter 307., 322., 324., 5737., 5739., 5741., or 5743. of the Revised Code or any real property taxing provision of the Revised Code. The board also shall reject the sale of abandoned land to any person if it is shown by a preponderance of the evidence that the person is delinquent in the payment of property taxes on any parcel in the county, or to a member of any of the following classes of parties connected to that person:

(1) A member of that person's immediate family;

(2) Any other person with a power of attorney appointed by that person;

(3) A sole proprietorship owned by that person or a member of that person's immediate family;

(4) A partnership, trust, business trust, corporation, association, or other entity in which that person or a member of that person's immediate family owns or controls directly or indirectly any beneficial or legal interest.

(F) If the purchase of abandoned land sold pursuant to this section or section 323.74 of the Revised Code is for less than the sum of the impositions against the abandoned land and the costs apportioned to the land under division (A) of section 323.75 of the Revised Code, then, upon the sale or transfer, all liens for taxes due at the time the deed of the property is conveyed to the purchaser following the sale or transfer, and liens subordinate to liens for taxes, shall be deemed satisfied and discharged.

(G) If the county board of revision finds that the total of the impositions against the abandoned land are greater than the fair market value of the

abandoned land as determined by the auditor's then-current valuation of that land, the board, at any final hearing under section 323.70 of the Revised Code, may order the property foreclosed and, without an appraisal or public auction, order the sheriff to execute a deed to the certificate holder or county land reutilization corporation that filed a complaint under section 323.69 of the Revised Code, or to a community development organization, school district, municipal corporation, county, or township, whichever is applicable, as provided in section 323.74 of the Revised Code ~~, except that no deed shall be transferred to a county land reutilization corporation after two years following the filing of its articles of incorporation by the secretary of state~~. Upon a transfer under this division, all liens for taxes due at the time the deed of the property is transferred to the certificate holder, community development organization, school district, municipal corporation, county, or township following the conveyance, and liens subordinate to liens for taxes, shall be deemed satisfied and discharged.

Sec. 323.74. (A) If a public auction is held for abandoned land pursuant to section 323.73 of the Revised Code, but the land is not sold at the public auction, the county board of revision may order the disposition of the abandoned land in accordance with division (B) or (C) of this section.

(B) The abandoned land offered for sale at a public auction as described in section 323.73 of the Revised Code, but not sold at the auction, may be offered for sale in any usual and customary manner by the sheriff as otherwise provided by law. The subsequent public auction may be held in the same manner as the public auction was held under section 323.73 of the Revised Code, but the minimum bid at an auction held under this division shall be the lesser of fifty per cent of fair market value of the abandoned land as currently shown by the county auditor's latest valuation, or the sum of the impositions against the abandoned land plus the costs apportioned to the land under section 323.75 of the Revised Code. Notice of any subsequent sale pursuant to this section may be given in the original notice of sale listing the time, date, and place of the subsequent sale.

(C) Upon certification from the sheriff that abandoned land was offered for sale at a public auction as described in section 323.73 of the Revised Code but was not purchased, a community development organization or any school district, municipal corporation, county, or township in which the land is located may request that title to the land be transferred to the community development organization, school district, municipal corporation, county, or township at the time described in this division. The request shall be delivered to the board of revision at any time from the date the complaint for foreclosure is filed under section 323.69 of the Revised Code, but not later than sixty days after the date on which the land was first offered for sale. ~~A county land reutilization corporation may not submit such a request, and the board of revision shall not accept such a request submitted, after two years following the filing of the corporation's articles of incorporation by the secretary of state.~~ The request shall include a representation that the organization, district, or political subdivision, not later than thirty days after receiving legal title to the abandoned land, will begin basic exterior improvements that will protect the land from further unreasonable

deterioration. The improvements shall include, but are not limited to, the removal of trash and refuse from the exterior of the premises and the securing of open, vacant, or vandalized areas on the exterior of the premises. The representation shall be deemed to have been given if the notice is supplied by an electing subdivision as defined in section 5722.01 of the Revised Code.

(D) The county board of revision, upon any adjudication of foreclosure and forfeiture against the abandoned land, may order the sheriff to dispose of the abandoned land as prescribed in sections 323.65 to 323.79 of the Revised Code ~~, except that no interest in such abandoned lands shall be transferred to a county land reutilization corporation after two years following the filing of its articles of incorporation by the secretary of state~~. The order by the board shall include instructions to the sheriff to transfer the land to the specified community development organization, school district, municipal corporation, county, or township after payment of the costs of disposing of the abandoned land pursuant to section 323.75 of the Revised Code or, if any negotiated price has been agreed to between the county treasurer and the community development organization, school district, municipal corporation, county, or township, after payment of that negotiated price as certified by the board to the sheriff.

(E) Upon receipt of payment under this section, the sheriff shall convey by sheriff's deed the fee simple interest in, and to, the abandoned land. If the abandoned land is transferred pursuant to division (D) of this section and the county treasurer reasonably determines that the transfer will result in the property being occupied, the county treasurer may waive, but is not required to waive, some or all of the impositions against the abandoned land or costs apportioned to the land under section 323.75 of the Revised Code.

(F) Upon a transfer under this section, all liens for taxes due at the time the deed of the property is conveyed to a purchaser or transferred to a community development organization, school district, municipal corporation, county, or township, and liens subordinate to liens for taxes, shall be deemed satisfied and discharged.

(G) Any parcel that has been advertised and offered for sale pursuant to foreclosure proceedings and has not sold for want of bidders or been otherwise transferred under sections 323.65 to 323.79 of the Revised Code shall be forfeited or otherwise disposed of in the same manner as lands under section 323.25 or 5721.18 or Chapter 5723. of the Revised Code.

Sec. 323.77. (A) As used in this section, "electing subdivision" has the same meaning as in section 5722.01 of the Revised Code.

(B) At any time from the date the complaint for foreclosure is filed under section 323.69 of the Revised Code, but not later than sixty days after the date on which the land was first offered for sale, an electing subdivision or a county land reutilization corporation may give the county treasurer, prosecuting attorney, or board of revision notice in writing that it seeks to acquire any parcel of abandoned land, identified by parcel number, from the abandoned land list. If any such parcel of abandoned land identified under this section is offered for sale

pursuant to section 323.73 of the Revised Code, but is not sold for want of a minimum bid, the electing subdivision or a county land reutilization corporation that identified that parcel of abandoned land shall be deemed to have appeared at the sale and submitted the winning bid at the auction, and the parcel of abandoned land shall be sold to the electing subdivision or corporation for no consideration other than the costs prescribed in section 323.75 of the Revised Code or those costs to which the electing subdivision or corporation and the county treasurer mutually agree. ~~No interest in such abandoned lands shall be transferred to a county land reutilization corporation under this section after two years following the filing of its articles of incorporation by the secretary of state.~~ The conveyance shall be confirmed, and any common law or statutory right of redemption forever terminated, upon the filing with the clerk of court the order of confirmation based on the adjudication of foreclosure by the county board of revision, which the clerk shall enter upon the journal of the court or a separate journal.

If a county land reutilization corporation and an electing subdivision both request to acquire the parcel, the electing subdivision shall have priority to acquire the parcel. Notwithstanding its prior notice to the county treasurer under this section that it seeks to acquire the parcel of abandoned land, if a county land reutilization corporation has also requested to acquire the parcel, the electing subdivision may withdraw the notice before confirmation of the conveyance, in which case the parcel shall be conveyed to the county land reutilization corporation.

Sec. 323.78. Notwithstanding anything in Chapters 323., 5721., and 5723. of the Revised Code, if the county treasurer of a county having a population of more than one million two hundred thousand as of the most recent decennial census, in any petition for foreclosure of abandoned lands, elects to invoke the alternative redemption period, then upon any adjudication of foreclosure by any court or the board of revision in any proceeding under section 323.25, sections 323.65 to 323.79, or section 5721.18 of the Revised Code, the following apply:

(A) Unless otherwise ordered by a motion of the court or board of revision, the petition shall assert, and any notice of final hearing shall include, that upon foreclosure of the parcel, the equity of redemption in any parcel by its owner shall be forever terminated after the expiration of the alternative redemption period, that the parcel thereafter may be sold at sheriff's sale either by itself or together with other parcels as permitted by law; or that the parcel may, by order of the court or board of revision, be transferred directly to a municipal corporation, township, county, school district, or county land reutilization corporation without appraisal and without a sale, free and clear of all impositions and any other liens on the property, which shall be deemed forever satisfied and discharged.

(B) After the expiration of the alternative redemption period following an adjudication of foreclosure, by order of the court or board of revision, any equity

of redemption is forever extinguished, and the parcel may be transferred individually or in lots with other tax-foreclosed properties to a municipal corporation, township, county, school district, or county land reutilization corporation without appraisal and without a sale, upon which all impositions and any other liens subordinate to liens for impositions due at the time the deed to the property is conveyed to a purchaser or transferred to a community development organization, county land reutilization corporation, municipal corporation, county, township, or school district, shall be deemed satisfied and discharged. Other than the order of the court or board of revision so ordering the transfer of the parcel, no further act of confirmation or other order shall be required for such a transfer, or for the extinguishment of any right of redemption. ~~No such parcel shall be transferred to a county land reutilization corporation after two years following the filing of its articles of incorporation by the secretary of state.~~

(C) Upon the expiration of the alternative redemption period in cases to which the alternative redemption period has been ordered, if no community development organization, county land reutilization corporation, municipal corporation, county, township, or school district has requested title to the parcel, the court or board of revision may order the property sold as otherwise provided in Chapters 323. and 5721. of the Revised Code, and, failing any bid at any such sale, the parcel shall be forfeited to the state and otherwise disposed of pursuant to Chapter 5723. of the Revised Code."

Between lines 27282 and 27283, insert:

"**Sec. 1724.02.** In furtherance of the purposes set forth in section 1724.01 of the Revised Code, a community improvement corporation shall have the following powers:

(A)(1) To borrow money for any of the purposes of the community improvement corporation by means of loans, lines of credit, or any other financial instruments or securities, including the issuance of its bonds, debentures, notes, or other evidences of indebtedness, whether secured or unsecured, and to secure the same by mortgage, pledge, deed of trust, or other lien on its property, franchises, rights, and privileges of every kind and nature or any part thereof or interest therein; and

(2) If the community improvement corporation is a county land reutilization corporation, the corporation may request, by resolution:

(a) That the board of county commissioners of the county served by the corporation pledge a specifically identified source or sources of revenue pursuant to division (C) of section 307.78 of the Revised Code as security for such borrowing by the corporation; and

(b)(i) If the land subject to reutilization is located within an unincorporated area of the county, that the board of county commissioners issue notes under section 307.082 of the Revised Code for the purpose of constructing public infrastructure improvements and take other actions as the board

determines are in the interest of the county and are authorized under sections 5709.78 to 5709.81 of the Revised Code or bonds or notes under section 5709.81 of the Revised Code for the refunding purposes set forth in that section; or

(ii) If the land subject to reutilization is located within the corporate boundaries of a municipal corporation, that the municipal corporation issue bonds for the purpose of constructing public infrastructure improvements and take such other actions as the municipal corporation determines are in its interest and are authorized under sections 5709.40 to 5709.43 of the Revised Code.

(B) To make loans to any person, firm, partnership, corporation, joint stock company, association, or trust, and to establish and regulate the terms and conditions with respect to any such loans; provided that an economic development corporation shall not approve any application for a loan unless and until the person applying for said loan shows that the person has applied for the loan through ordinary banking or commercial channels and that the loan has been refused by at least one bank or other financial institution. Nothing in this division shall preclude a county land reutilization corporation from making revolving loans to community development corporations or groups for the purposes contained in the corporation's plan under section 1724.10 of the Revised Code.

(C) To purchase, receive, hold, manage, lease, lease-purchase, or otherwise acquire and to sell, convey, transfer, lease, sublease, or otherwise dispose of real and personal property, together with such rights and privileges as may be incidental and appurtenant thereto and the use thereof, including but not restricted to, any real or personal property acquired by the community improvement corporation from time to time in the satisfaction of debts or enforcement of obligations, and to enter into contracts with third parties, including the federal government, the state, any political subdivision, or any other entity. A county land reutilization corporation shall not acquire an interest in real property if such acquisition causes the percentage of unoccupied real property held by the corporation to become less than seventy-five per cent of all real property held by the corporation for reutilization, reclamation, or rehabilitation. For the purposes of this division, "unoccupied" has the same meaning as in section 323.65 of the Revised Code. ~~No interest in real property shall be acquired by a county land reutilization corporation after two years following the filing of its articles of incorporation by the secretary of state.~~

(D) To acquire the good will, business, rights, real and personal property, and other assets, or any part thereof, or interest therein, of any persons, firms, partnerships, corporations, joint stock companies, associations, or trusts, and to assume, undertake, or pay the obligations, debts, and liabilities of any such person, firm, partnership, corporation, joint stock company, association, or trust; to acquire, reclaim, manage, or contract for the management of improved or unimproved and underutilized real estate for the purpose of constructing industrial plants, other business establishments, or housing thereon, or causing the same to occur, for the purpose of assembling and enhancing utilization of the

real estate, or for the purpose of disposing of such real estate to others in whole or in part for the construction of industrial plants, other business establishments, or housing; and to acquire, reclaim, manage, contract for the management of, construct or reconstruct, alter, repair, maintain, operate, sell, convey, transfer, lease, sublease, or otherwise dispose of industrial plants, business establishments, or housing. ~~No interest in real property shall be acquired by a county land reutilization corporation after two years following the filing of its articles of incorporation by the secretary of state.~~

(E) To acquire, subscribe for, own, hold, sell, assign, transfer, mortgage, pledge, or otherwise dispose of the stock, shares, bonds, debentures, notes, or other securities and evidences of interest in, or indebtedness of, any person, firm, corporation, joint stock company, association, or trust, and while the owner or holder thereof, to exercise all the rights, powers, and privileges of ownership, including the right to vote therein, provided that no tax revenue, if any, received by a community improvement corporation shall be used for such acquisition or subscription.

(F) To mortgage, pledge, or otherwise encumber any property acquired pursuant to the powers contained in divisions (C), (D), or (E) of this section.

(G) Nothing in this section shall limit the right of a community improvement corporation to become a member of or a stockholder in a corporation formed under Chapter 1726. of the Revised Code.

(H) To serve as an agent for grant applications and for the administration of grants, or to make applications as principal for grants for county land reutilization corporations.

(I) To exercise the powers enumerated under Chapter 5722. of the Revised Code on behalf of a county that organizes or contracts with a county land reutilization corporation.

(J) To engage in code enforcement and nuisance abatement, including, but not limited to, cutting grass and weeds, boarding up vacant or abandoned structures, and demolishing condemned structures on properties that are subject to a delinquent tax or assessment lien, or property for which a municipal corporation or township has contracted with a county land reutilization corporation to provide code enforcement or nuisance abatement assistance.

(K) To charge fees or exchange in-kind goods or services for services rendered to political subdivisions and other persons or entities for whom services are rendered.

(L) To employ and provide compensation for an executive director who shall manage the operations of a county land reutilization corporation and employ others for the benefit of the corporation as approved and funded by the board of directors. No employee of the corporation is or shall be deemed to be an employee of the political subdivision for whose benefit the corporation is organized solely because the employee is employed by the corporation;

(M) To purchase tax certificates at auction, negotiated sale, or from a third party who purchased and is a holder of one or more tax certificates issued pursuant to sections 5721.30 to 5721.43 of the Revised Code;

(N) To be assigned a mortgage on real property from a mortgagee in lieu of acquiring such real property subject to a mortgage. ~~No mortgage shall be transferred or assigned to a county land reutilization corporation after two years following the filing of its articles of incorporation by the secretary of state.~~

(O) To do all acts and things necessary or convenient to carry out the purposes of section 1724.01 of the Revised Code and the powers especially created for a community improvement corporation in Chapter 1724. of the Revised Code, including, but not limited to, contracting with the federal government, the state or any political subdivision, and any other party, whether nonprofit or for-profit.

The powers enumerated in this chapter shall not be construed to limit the general powers of a community improvement corporation. The powers granted under this chapter are in addition to those powers granted by any other chapter of the Revised Code, but, as to a county land reutilization corporation, shall be used only for the purposes enumerated under division (B)(2) of section 1724.01 of the Revised Code. ~~Notwithstanding any other provision in the Revised Code granting such authority, a county land reutilization corporation may not acquire any interest in real property after two years following the filing of its articles of incorporation by the secretary of state.~~"

Between lines 82541 and 82542, insert:

"**Sec. 5721.32.** (A) The sale of tax certificates by public auction may be conducted at any time after completion of the advertising of the sale under section 5721.31 of the Revised Code, on the date and at the time and place designated in the advertisements, and may be continued from time to time as the county treasurer directs. The county treasurer may offer the tax certificates for sale in blocks of tax certificates, consisting of any number of tax certificates as determined by the county treasurer.

(B)(1) The sale of tax certificates under this section shall be conducted at a public auction by the county treasurer or a designee of the county treasurer.

(2) No person shall be permitted to bid without completing a bidder registration form, in the form prescribed by the tax commissioner, and without filing the form with the county treasurer prior to the start of the auction, together with remittance of a registration fee, in cash, of five hundred dollars. The bidder registration form shall include a tax identification number of the registrant. The registration fee is refundable at the end of bidding on the day of the auction, unless the registrant is the winning bidder for one or more tax certificates or one or more blocks of tax certificates, in which case the fee may be applied toward the deposit required by this section.

(3) The county treasurer may require a person who wishes to bid on one

or more parcels to submit a letter from a financial institution stating that the bidder has sufficient funds available to pay the purchase price of the parcels and a written authorization for the treasurer to verify such information with the financial institution. The county treasurer may require submission of the letter and authorization sufficiently in advance of the auction to allow for verification. No person who fails to submit the required letter and authorization, or whose financial institution fails to provide the requested verification, shall be permitted to bid.

(C) At the public auction, the county treasurer or the treasurer's designee or agent shall begin the bidding at eighteen per cent per year simple interest, and accept lower bids in even increments of one-fourth of one per cent to the rate of zero per cent. The county treasurer, designee, or agent shall award the tax certificate to the person bidding the lowest certificate rate of interest. The county treasurer shall decide which person is the winning bidder in the event of a tie for the lowest bid offered, or if a person contests the lowest bid offered. The county treasurer's decision is not appealable.

(D)(1) The winning bidder shall pay the county treasurer a cash deposit of at least ten per cent of the certificate purchase price not later than the close of business on the day of the sale. The winning bidder shall pay the balance and the fee required under division (H) of this section not later than five business days after the day on which the certificate is sold. Except as provided under division (D)(2) of this section, if the winning bidder fails to pay the balance and fee within the prescribed time, the bidder forfeits the deposit, and the county treasurer shall retain the tax certificate and may attempt to sell it at any auction conducted at a later date.

(2) At the request of a winning bidder, the county treasurer may release the bidder from the bidder's tax certificate purchase obligation. The county treasurer may retain all or any portion of the deposit of a bidder granted a release. After granting a release under this division, the county treasurer may award the tax certificate to the person that submitted the second lowest bid at the auction.

(3) The county treasurer shall deposit the deposit forfeited or retained under divisions (D)(1) or (2) of this section in the county treasury to the credit of the tax certificate administration fund.

(E) Upon receipt of the full payment of the certificate purchase price from the purchaser, the county treasurer shall issue the tax certificate and record the tax certificate sale by entering into a tax certificate register the certificate purchase price, the certificate rate of interest, the date the certificate was sold, the name and address of the certificate holder, and any other information the county treasurer considers necessary. The county treasurer may keep the tax certificate register in a hard-copy format or in an electronic format. The name and address of the certificate holder may be, upon receipt of instructions from the purchaser, that of the secured party of the actual purchaser, or an agent or custodian for the purchaser or secured party. The county treasurer also shall

transfer the tax certificate to the certificate holder. The county treasurer shall apportion the part of the proceeds from the sale representing taxes, penalties, and interest among the several taxing districts in the same proportion that the amount of taxes levied by each district against the certificate parcel in the preceding tax year bears to the taxes levied by all such districts against the certificate parcel in the preceding tax year, and credit the part of the proceeds representing assessments and other charges to the items of assessments and charges in the order in which those items became due. Upon issuing a tax certificate, the delinquent taxes that make up the certificate purchase price are transferred, and the superior lien of the state and its taxing districts for those delinquent taxes is conveyed intact to the certificate holder.

(F) If a tax certificate is offered for sale under this section but is not sold, the county treasurer may strike the corresponding certificate parcel from the list of parcels selected for tax certificate sales. The lien for taxes, assessments, charges, penalties, and interest against a parcel stricken from the list thereafter may be foreclosed in the manner prescribed by section 323.25, sections 323.65 to 323.79, or section 5721.14 or 5721.18 of the Revised Code unless, prior to the institution of such proceedings against the parcel, the county treasurer restores the parcel to the list of parcels selected for tax certificate sales.

(G) A certificate holder shall not be liable for damages arising from a violation of sections 3737.87 to 3737.891 or Chapter 3704., 3734., 3745., 3746., 3750., 3751., 3752., 6109., or 6111. of the Revised Code, or a rule adopted or order, permit, license, variance, or plan approval issued under any of those chapters, that is or was committed by another person in connection with the parcel for which the tax certificate is held.

(H) When selling a tax certificate under this section, the county treasurer shall charge a fee to the purchaser of the certificate. The county treasurer shall set the fee at a reasonable amount that covers the treasurer's costs of administering the sale of the tax certificate. The county treasurer shall deposit the fee in the county treasury to the credit of the tax certificate administration fund.

(I) After selling a tax certificate under this section, the county treasurer shall send written notice by certified mail to the owner of the certificate parcel at the owner's last known tax-mailing address. The notice shall inform the owner that the tax certificate was sold, shall describe the owner's options to redeem the parcel, including entering into a redemption payment plan under division (C)(1) of section 5721.38 of the Revised Code, and shall name the certificate holder and its secured party, if any. However, the county treasurer is not required to send a notice under this division if the treasurer previously has attempted to send a notice to the owner of the parcel at the owner's last known tax-mailing address, and the postal service has returned the notice as undeliverable.

(J) A tax certificate shall not be sold to the owner of the certificate parcel. ~~A tax certificate shall not be sold to a county land reutilization corporation after two years following the filing of its articles of incorporation by the secretary of~~

~~state.~~

Sec. 5721.33. (A) A county treasurer may, in the treasurer's discretion, negotiate the sale or transfer of any number of tax certificates with one or more persons, including a county land reutilization corporation. ~~No tax certificate shall be sold or transferred to a county land reutilization corporation after two years following the filing of its articles of incorporation by the secretary of state.~~ Terms that may be negotiated include, without limitation, any of the following:

(1) A premium to be added to or discount to be subtracted from the certificate purchase price for the tax certificates;

(2) Different time frames under which the certificate holder may initiate a foreclosure action than are otherwise allowed under sections 5721.30 to 5721.43 of the Revised Code, not to exceed six years after the date the tax certificate was sold or transferred;

(3) The amount to be paid in private attorney's fees related to tax certificate foreclosures, subject to section 5721.371 of the Revised Code;

(4) Any other terms of the sale or transfer that the county treasurer, in the treasurer's discretion, determines appropriate or necessary for the sale or transfer.

(B) The sale or transfer of tax certificates under this section shall be governed by the criteria established by the county treasurer pursuant to division (E) of this section.

(C) The county treasurer may execute a tax certificate sale/purchase agreement and other necessary agreements with a designated purchaser or purchasers to complete a negotiated sale or transfer of tax certificates.

(D) The tax certificate may be sold at a premium to or discount from the certificate purchase price. The county treasurer may establish as one of the terms of the negotiated sale the portion of the certificate purchase price, plus any applicable premium or less any applicable discount, that the purchaser or purchasers shall pay in cash on the date the tax certificates are sold and the portion, if any, of the certificate purchase price, plus any applicable premium or less any applicable discount, that the purchaser or purchasers shall pay in noncash consideration and the nature of that consideration.

The county treasurer shall sell such tax certificates at a certificate purchase price, plus any applicable premium and less any applicable discount, and at a certificate rate of interest that, in the treasurer's determination, are in the best interests of the county.

(E)(1) The county treasurer shall adopt rules governing the eligibility of persons to purchase tax certificates or to otherwise participate in a negotiated sale under this section. The rules may provide for precertification of such persons, including a requirement for disclosure of income, assets, and any other financial information the county treasurer determines appropriate. The rules also may prohibit any person that is delinquent in the payment of any tax to the county or to the state, or that is in default in or on any other obligation to the

county or to the state, from purchasing a tax certificate or otherwise participating in a negotiated sale of tax certificates under this section. The rules may also authorize the purchase of certificates by a county land reutilization corporation, and authorize the county treasurer to receive notes in lieu of cash, with such notes being payable to the treasurer upon the receipt or enforcement of such taxes, assessments, charges, costs, penalties, and interest, and as otherwise further agreed between the corporation and the treasurer. ~~A county land reutilization corporation may not purchase any such certificate after two years following the filing of its articles of incorporation by the secretary of state.~~ The eligibility information required shall include the tax identification number of the purchaser and may include the tax identification number of the participant. The county treasurer, upon request, shall provide a copy of the rules adopted under this section.

(2) Any person that intends to purchase a tax certificate in a negotiated sale shall submit an affidavit to the county treasurer that establishes compliance with the applicable eligibility criteria and includes any other information required by the treasurer. Any person that fails to submit such an affidavit is ineligible to purchase a tax certificate. Any person that knowingly submits a false or misleading affidavit shall forfeit any tax certificate or certificates purchased by the person at a sale for which the affidavit was submitted, shall be liable for payment of the full certificate purchase price, plus any applicable premium and less any applicable discount, of the tax certificate or certificates, and shall be disqualified from participating in any tax certificate sale conducted in the county during the next five years.

(3) A tax certificate shall not be sold to the owner of the certificate parcel or to any corporation, partnership, or association in which such owner has an interest. No person that purchases a tax certificate in a negotiated sale shall assign or transfer the tax certificate to the owner of the certificate parcel or to any corporation, partnership, or association in which the owner has an interest. Any person that knowingly or negligently transfers or assigns a tax certificate to the owner of the certificate parcel or to any corporation, partnership, or association in which such owner has an interest shall be liable for payment of the full certificate purchase price, plus any applicable premium and less any applicable discount, and shall not be entitled to a refund of any amount paid. Such tax certificate shall be deemed void and the tax lien sold under the tax certificate shall revert to the county as if no sale of the tax certificate had occurred.

(F) The purchaser in a negotiated sale under this section shall deliver the certificate purchase price or other consideration, plus any applicable premium and less any applicable discount and including any noncash consideration, to the county treasurer not later than the close of business on the date the tax certificates are delivered to the purchaser. The certificate purchase price, less any applicable discount, or portion of the price, that is paid in cash shall be deposited in the county's general fund to the credit of the account to which ad valorem real property taxes are credited and further credited as provided in division (G) of

this section. Any applicable premium that is paid shall be, at the discretion of the county treasurer, apportioned to and deposited in any authorized county fund. The purchaser also shall pay on the date the tax certificates are delivered to the purchaser the fee, if any, negotiated under division (J) of this section. If the purchaser fails to pay the certificate purchase price, plus any applicable premium and less any applicable discount, and any such fee, within the time periods required by this section, the county treasurer shall retain the tax certificate and may attempt to sell it at any auction or negotiated sale conducted at a later date.

(G) Upon receipt of the full payment from the purchaser of the certificate purchase price or other agreed-upon consideration, plus any applicable premium and less any applicable discount, and the negotiated fee, if any, the county treasurer, or a qualified trustee whom the treasurer has engaged for such purpose, shall issue the tax certificate and record the tax certificate sale by entering into a tax certificate register the certificate purchase price, any premium paid or discount taken, the certificate rate of interest, the date the certificates were sold, the name and address of the certificate holder or, in the case of issuance of the tax certificates in a book-entry system, the name and address of the nominee, and any other information the county treasurer considers necessary. The county treasurer may keep the tax certificate register in a hard-copy format or an electronic format. The name and address of the certificate holder or nominee may be, upon receipt of instructions from the purchaser, that of the secured party of the actual purchaser, or an agent or custodian for the purchaser or secured party. The county treasurer also shall transfer the tax certificates to the certificate holder. The county treasurer shall apportion the part of the cash proceeds from the sale representing taxes, penalties, and interest among the several taxing districts in the same proportion that the amount of taxes levied by each district against the certificate parcels in the preceding tax year bears to the taxes levied by all such districts against the certificate parcels in the preceding tax year, and credit the part of the proceeds representing assessments and other charges to the items of assessments and charges in the order in which those items became due. If the cash proceeds from the sale are not sufficient to fully satisfy the items of taxes, assessments, penalties, interest, and charges on the certificate parcels against which tax certificates were sold, the county treasurer shall credit the cash proceeds to such items pro rata based upon the proportion that each item of taxes, assessments, penalties, interest, and charges bears to the aggregate of all such items, or by any other method that the county treasurer, in the treasurer's sole discretion, determines is equitable. Upon issuing the tax certificates, the delinquent taxes that make up the certificate purchase price are transferred, and the superior lien of the state and its taxing districts for those delinquent taxes is conveyed intact to the certificate holder or holders.

(H) If a tax certificate is offered for sale under this section but is not sold, the county treasurer may strike the corresponding certificate parcel from the list of parcels selected for tax certificate sales. The lien for taxes, assessments, charges, penalties, and interest against a parcel stricken from the list thereafter may be foreclosed in the manner prescribed by section 323.25, 5721.14, or

5721.18 of the Revised Code unless, prior to the institution of such proceedings against the parcel, the county treasurer restores the parcel to the list of parcels selected for tax certificate sales.

(I) Neither a certificate holder nor its secured party, if any, shall be liable for damages arising from a violation of sections 3737.87 to 3737.891 or Chapter 3704., 3734., 3745., 3746., 3750., 3751., 3752., 6109., or 6111. of the Revised Code, or a rule adopted or order, permit, license, variance, or plan approval issued under any of those chapters, that is or was committed by another person in connection with the parcel for which the tax certificate is held.

(J) When selling or transferring a tax certificate under this section, the county treasurer may negotiate with the purchaser of the certificate for fees paid by the purchaser to the county treasurer to reimburse the treasurer for any part or all of the treasurer's costs of preparing for and administering the sale of the tax certificate and any fees set forth by the county treasurer in the tax certificate sale/purchase agreement. Such fees, if any, shall be added to the certificate purchase price and shall be paid by the purchaser on the date of delivery of the tax certificate. The county treasurer shall deposit the fees in the county treasury to the credit of the tax certificate administration fund.

(K) After selling tax certificates under this section, the county treasurer shall send written notice by certified mail to the last known tax-mailing address of the owner of the certificate parcel. The notice shall inform the owner that a tax certificate with respect to such owner's parcel was sold or transferred and shall describe the owner's options to redeem the parcel, including entering into a redemption payment plan under division (C)(2) of section 5721.38 of the Revised Code. However, the county treasurer is not required to send a notice under this division if the treasurer previously has attempted to send a notice to the owner of the parcel at the owner's last known tax-mailing address and the postal service has returned the notice as undeliverable.

Sec. 5722.02. (A) Any municipal corporation, county, or township may elect to adopt and implement the procedures set forth in sections 5722.02 to 5722.15 of the Revised Code to facilitate the effective reutilization of nonproductive land situated within its boundaries. Such election shall be made by ordinance in the case of a municipal corporation, and by resolution in the case of a county or township. The ordinance or resolution shall state that the existence of nonproductive land within its boundaries is such as to necessitate the implementation of a land reutilization program to foster either the return of such nonproductive land to tax revenue generating status or the devotion thereof to public use.

(B) Any county adopting a resolution under division (A) of this section may direct in the resolution that a county land reutilization corporation be organized under Chapter 1724. of the Revised Code to act on behalf of and cooperate with the county in exercising the powers and performing the duties of the county under this chapter. The powers extended to a county land reutilization corporation shall not be construed as a limitation on the powers granted to a

county land reutilization corporation under Chapter 1724. of the Revised Code, but shall be construed as additional powers ~~, except that a county land reutilization corporation may not acquire any interest in real property under this chapter after two years following the filing of its articles of incorporation by the secretary of state~~.

(C) An electing subdivision shall promptly deliver certified copies of such ordinance or resolution to the auditor, treasurer, and the prosecutor of each county in which the electing subdivision is situated. On and after the effective date of such ordinance or resolution, the foreclosure, sale, management, and disposition of all nonproductive land situated within the electing subdivision's boundaries shall be governed by the procedures set forth in sections 5722.02 to 5722.15 of the Revised Code, and, in the case of a county land reutilization corporation, as authorized under Chapter 1724. of the Revised Code. When a county adopts a resolution organizing a county land reutilization corporation pursuant to this chapter, the county shall deliver a copy of the resolution to the county auditor, county treasurer, and county prosecuting attorney.

(D) A county, a county land reutilization corporation, and a municipal corporation or township may enter into an agreement to implement the procedures in sections 5722.02 to 5722.15 of the Revised Code within the boundaries of the municipal corporation or township if the county and the township or municipal corporation are electing subdivisions and the county has, by resolution, designated a county land reutilization corporation to act on its behalf under this chapter.

Any property acquired by a county land reutilization corporation in a transaction other than the tax foreclosure procedures in Chapter 323., 5721., or 5723. of the Revised Code shall be subject to a priority right of acquisition by a municipal corporation or township in which the property is located for a period of thirty days after the county land reutilization corporation first records the deed evidencing acquisition of such property with the county recorder. A municipal corporation or township claiming a priority right of acquisition shall file, and the county recorder shall record, an instrument evidencing such right within the thirty-day period. The instrument shall include the name and address of the applicable municipal corporation or township, the parcel or other identifying number and an affirmative statement by the municipal corporation or township that it intends to acquire the property. If the municipal corporation or township records such an instrument within the thirty-day period, then the priority right of acquisition shall be effective for a period of ninety days after the instrument is recorded. If the municipal corporation or township does not record the instrument expressing its intent to acquire the property or, if having timely recorded such instrument does not thereafter acquire and record a deed within the ninety-day period following the recording of its intent to acquire the property, then the county land reutilization corporation may dispose of such property free and clear of any claim or interest of such municipal corporation or township. If a municipal corporation or township does not record an instrument of intent to acquire property within the thirty-day period, or if a municipal

corporation or township, after timely recording an instrument of intent to acquire a parcel, does not thereafter acquire the parcel within ninety days and record a deed thereto with the county recorder, the municipal corporation or township has no statutory, legal, or equitable claim or estate in property acquired by the county land reutilization corporation. This section shall not be construed to constitute an exception to free and clear title to the property held by a county land reutilization corporation or any of its subsequent transferees, or to preclude a county land reutilization corporation and any municipal corporation or township from entering into an agreement that disposes of property on terms to which they may thereafter mutually agree.

Sec. 5722.04. (A) Upon receipt of an ordinance or resolution adopted pursuant to section 5722.02 of the Revised Code, the county auditor shall deliver to the electing subdivision a list of all delinquent lands within an electing subdivision's boundaries that have been forfeited to the state pursuant to section 5723.01 of the Revised Code and thereafter shall notify the electing subdivision of any additions to or deletions from such list.

The electing subdivision shall select from such lists the forfeited lands that constitute nonproductive lands that the subdivision wishes to acquire, and shall notify the county auditor of its selection prior to the advertisement and sale of such lands. Notwithstanding the sales price provisions of division (A)(1) of section 5723.06 of the Revised Code, the selected nonproductive lands shall be advertised for sale and be sold to the highest bidder for an amount at least sufficient to pay the amount determined under division (A)(2) of section 5721.16 of the Revised Code. All nonproductive lands forfeited to the state and selected by an electing subdivision, when advertised for sale pursuant to the relevant procedures set forth in Chapter 5723. of the Revised Code, shall be advertised separately from the advertisement applicable to other forfeited lands. The advertisement relating to the selected nonproductive lands also shall include a statement that the lands have been selected by the electing subdivision as nonproductive lands that it wishes to acquire and that, if at the forfeiture sale no bid for the sum of the taxes, assessments, charges, penalties, interest, and costs due on the parcel as determined under division (A)(1)(a) of section 5723.06 of the Revised Code is received, the lands shall be sold to the electing subdivision.

(B) If any nonproductive land that has been forfeited to the state and selected by an electing subdivision is advertised and offered for sale by the auditor pursuant to Chapter 5723. of the Revised Code, but no minimum bid is received, the electing subdivision shall be deemed to have submitted the winning bid, and the land is deemed sold to the electing subdivision for no consideration other than the fee charged under division (C) of this section. If both a county and a township in that county have adopted a resolution pursuant to section 5722.02 of the Revised Code and both subdivisions select the same parcel or parcels of land, the electing subdivision deemed to have submitted the winning bid under this division shall be determined pursuant to division (D) of section 5722.03 of the Revised Code.

The auditor shall announce the bid at the sale and shall declare the selected nonproductive land to be sold to the electing subdivision. The auditor shall deliver to the electing subdivision a certificate of sale.

(C) On the returning of the certificate of sale to the auditor, the auditor shall execute and file for recording a deed conveying title to the selected nonproductive land and, once the deed has been recorded, deliver it to the electing subdivision. Thereupon, all previous title is extinguished, and the title in the electing subdivision is incontestable and free and clear from all liens and encumbrances, except taxes and special assessments that are not due at the time of the sale and any easements and covenants of record running with the land and created prior to the time at which the taxes or assessments, for the nonpayment of which the nonproductive land was forfeited, became due and payable. At the time of the sale, the auditor shall collect and the electing subdivision shall pay the fee required by law for transferring and recording of deeds.

Upon delivery of a deed conveying any nonproductive land to an electing subdivision, the county auditor shall charge all costs incurred in any proceeding instituted under section 5721.14 or 5721.18 of the Revised Code or incurred as a result of the forfeiture and sale of the nonproductive land to the taxing districts, including the electing subdivision, in direct proportion to their interest in the taxes, assessments, charges, interest, and penalties on the nonproductive land due and payable at the time the land was sold at the forfeiture sale. The interest of each taxing district in the taxes, assessments, charges, penalties, and interest on the nonproductive land shall bear the same proportion to the amount of those taxes, assessments, charges, penalties, and interest that the amount of taxes levied by each district against the nonproductive land in the preceding tax year bears to the taxes levied by all such districts against the nonproductive land in the preceding tax year. For the purposes of this division, a county land reutilization corporation shall be deemed to have the proportionate interest as the county designating or organizing such corporation in the taxes, assessments, charges, penalties, and interest on the nonproductive land in the county. In making a semiannual apportionment of funds, the auditor shall retain at the next apportionment the amount charged to each such taxing district, except for a county land reutilization corporation acting on behalf of a county, the auditor shall invoice the corporation the amount charged to it.

(D) Where no political subdivision has requested to purchase a parcel of land at a foreclosure sale, any lands otherwise forfeited to the state for want of a bid at the foreclosure sale may, upon the request of a county land reutilization corporation, be transferred directly to the corporation without appraisal or public bidding ~~, except that no interest in real property may be transferred to a county land reutilization corporation under this section after two years following the filing of its articles of incorporation by the secretary of state~~.

Sec. 5722.21. (A) As used in this section:

(1) "Eligible delinquent land" means delinquent land or delinquent vacant land, as defined in section 5721.01 of the Revised Code, included in a delinquent

tax list or delinquent vacant land tax list that has been certified delinquent within the meaning of section 5721.03 of the Revised Code, excluding any certificate parcel as defined in section 5721.30 of the Revised Code.

(2) "Delinquent taxes" means the cumulative amount of unpaid taxes, assessments, recoupment charges, penalties, and interest charged against eligible delinquent land that became delinquent before transfer of title to a county, municipal corporation, township, or county land reutilization corporation under this section.

(3) "Foreclosure costs" means the sum of all costs or other charges of publication, service of notice, prosecution, or other proceedings against the land under sections 323.25 to 323.28, 323.65 to 323.79, or Chapter 5721. of the Revised Code as may pertain to delinquent land or be fairly apportioned to it by the county treasurer.

(4) "Tax foreclosure sale" means a sale of delinquent land pursuant to foreclosure proceedings under sections 323.25 to 323.28, 323.65 to 323.79, or section 5721.14 or 5721.18 of the Revised Code.

(5) "Taxing authority" means the legislative authority of any taxing unit, as defined in section 5705.01 of the Revised Code, in which is located a parcel of eligible delinquent land acquired or to be acquired by a county, municipal corporation, township, or county land reutilization corporation in which a declaration under division (B) of this section is in effect.

(B) The legislative authority of a municipal corporation may declare by ordinance, or a board of county commissioners, a board of township trustees, or the board of directors of a county land reutilization corporation may declare by resolution, that it is in the public interest for the county, municipal corporation, township, or county land reutilization corporation to acquire tax-delinquent real property within the county, municipal corporation, or township for the public purpose of redeveloping the property or otherwise rendering it suitable for productive, tax-paying use. In any county, municipal corporation, or township in which such a declaration is in effect, the county, municipal corporation, township, or county land reutilization corporation may purchase or otherwise acquire title to eligible delinquent land, other than by appropriation, and the title shall pass free and clear of the lien for delinquent taxes as provided in division (D) of this section. The authority granted by this section is supplemental to the authority granted under sections 5722.01 to 5722.15 of the Revised Code. ~~A county land reutilization corporation may not acquire an interest in real property under this section after two years following the filing of its articles of incorporation by the secretary of state.~~

(C) With respect to any parcel of eligible delinquent land purchased or acquired by a county, municipal corporation, township, or county land reutilization corporation in which a declaration is in effect under this section, the county, municipal corporation, or township may obtain the consent of each taxing authority for release of any claim on the delinquent taxes and associated

costs attaching to that property at the time of conveyance to the county, municipal corporation, or township. Consent shall be obtained in writing, and shall be certified by the taxing authority granting consent or by the fiscal officer or other person authorized by the taxing authority to provide such consent. Consent may be obtained before or after title to the eligible delinquent land is transferred to the county, municipal corporation, or township. A county that has organized and designated a county land reutilization corporation for purposes of this chapter is not required to obtain such consent. Upon conveyance to a county land reutilization corporation, the consent shall be deemed to have been given to the extent that the corporation requires consent.

The taxing authority of a taxing unit and a county, municipal corporation, or township in which a declaration is in effect under this section may enter into an agreement whereby the taxing authority consents in advance to release of the taxing authority's claim on delinquent taxes and associated costs with respect to all or a specified number of parcels of eligible delinquent land that may be purchased or acquired by the county, municipal corporation, or township for the purposes of this section. The agreement shall provide for any terms and conditions on the release of such claim as are mutually agreeable to the taxing authority and county, municipal corporation, or township, including any notice to be provided by the county, municipal corporation, or township to the taxing authority of the purchase or acquisition of eligible delinquent land situated in the taxing unit; any option vesting in the taxing authority to revoke its release with respect to any parcel of eligible delinquent land before the release becomes effective; and the manner in which notice of such revocation shall be effected. Nothing in this section or in such an agreement shall be construed to bar a taxing authority from revoking its advance consent with respect to any parcels of eligible delinquent land purchased or acquired by the county, municipal corporation, or township before the county, municipal corporation, or township enters into a purchase or other agreement for acquisition of the parcels.

A county that has organized and designated a county land reutilization corporation is not required to enter into such an agreement with a taxing authority.

(D) The lien for the delinquent taxes and associated costs for which all of the taxing authorities have consented to release their claims under this section is hereby extinguished, and the transfer of title to such delinquent land to the county, municipal corporation, or township shall be transferred free and clear of the lien for such taxes and costs. If a taxing authority does not consent to the release of its claim on delinquent taxes and associated costs, the entire amount of the lien for such taxes and costs shall continue as otherwise provided by law until paid or otherwise discharged according to law. If a county land reutilization corporation acquires title to eligible delinquent land under this section, the lien for delinquent taxes and costs with respect to land acquired by the corporation shall be extinguished simultaneously with the transfer of title to the corporation, notwithstanding that the taxing authorities have not consented to release their claims under this section.

(E) All eligible delinquent land acquired by a county, municipal corporation, township, or county land reutilization corporation under this section is real property held for a public purpose and is exempted from taxation until the county, municipal corporation, township, or county land reutilization corporation sells or otherwise disposes of property.

(F) If a county, municipal corporation, township, or county land reutilization corporation sells or otherwise disposes of delinquent land it purchased or acquired and for which all or a portion of a taxing authority's claim for delinquent taxes was released under this section, whether by consent of the taxing authority or pursuant to division (D) of this section, the net proceeds from such sale or disposition shall be used for such redevelopment purposes the board of county commissioners, the legislative authority of the municipal corporation, the board of township trustees, or the board of directors of the county land reutilization corporation considers necessary or appropriate.

Sec. 5723.04. (A) The county auditor shall maintain a list of forfeited lands and shall offer such lands for sale annually, or more frequently if the auditor determines that more frequent sales are necessary.

(B) Notwithstanding division (A) of this section, upon the request of a county land reutilization corporation organized under Chapter 1724. of the Revised Code, the county auditor shall promptly transfer to such corporation, by auditor's deed, the fee simple title to a parcel on the list of forfeited lands, which shall pass to such corporation free and clear of all taxes, assessments, charges, penalties, interest, and costs. Any subordinate liens shall be deemed fully and forever satisfied and discharged. Upon such request, the land is deemed sold by the state for no consideration. The county land reutilization corporation shall file the deed for recording. ~~A county land reutilization corporation may not acquire an interest in a parcel under this section after two years following the filing of its articles of incorporation by the secretary of state.~~"

In line 90816, after "323.156," insert "323.73, 323.74, 323.77, 323.78,"

In line 90834, after "1721.211," insert "1724.02,"

In line 90914, after "5721.03," insert "5721.32, 5721.33, 5722.02, 5722.04, 5722.21, 5723.04,"

In line 29 of the title, after "323.156," insert "323.73, 323.74, 323.77, 323.78,"

In line 54 of the title, after "1721.211," insert "1724.02,"

In line 163 of the title, after "5721.03," insert "5721.32, 5721.33, 5722.02, 5722.04, 5722.21, 5723.04,"

In line 102714, delete "do all of the"

In line 102715, delete "following:"

In line 102716, delete "(1) Develop" and insert "develop"; delete

"managing one-time revenues" and insert "balancing the state budget for fiscal years 2012 and 2013."

Delete lines 102717 through 102721

In line 102728, delete "June" and insert "November"

In line 102730, delete "June" and insert "November"

In line 315, after "504.21," insert "711.001, 711.05, 711.10, 711.131,"

In line 419, after "6109.21," insert "6111.04,"; after "6111.044," insert "6111.44,"

Between lines 20019 and 20020, insert:

"**Sec. 711.001.** As used in this chapter:

(A) "Plat" means a map of a tract or parcel of land.

(B) "Subdivision" means either of the following:

(1) The division of any parcel of land shown as a unit or as contiguous units on the last preceding general tax list and duplicate of real and public utility property, into two or more parcels, sites, or lots, any one of which is less than five acres for the purpose, whether immediate or future, of transfer of ownership, provided, however, that the following are exempt:

(a) A division or partition of land into parcels of more than five acres not involving any new streets or easements of access;

(b) The sale or exchange of parcels between adjoining lot owners, where that sale or exchange does not create additional building sites;

(c) If the planning authority adopts a rule in accordance with section 711.133 of the Revised Code that exempts from division (B)(1) of this section any parcel of land that is four acres or more, parcels in the size range delineated in that rule.

(2) The improvement of one or more parcels of land for residential, commercial, or industrial structures or groups of structures involving the division or allocation of land for the opening, widening, or extension of any public or private street or streets, except private streets serving industrial structures, or involving the division or allocation of land as open spaces for common use by owners, occupants, or leaseholders or as easements for the extension and maintenance of public or private sewer, water, storm drainage, or other similar facilities.

(C) "Household sewage treatment system" has the same meaning as in section 3709.091 of the Revised Code.

Sec. 711.05. (A) Upon the submission of a plat for approval, in accordance with section 711.041 of the Revised Code, the board of county commissioners shall certify on it the date of the submission. Within five days of

submission of the plat, the board shall schedule a meeting to consider the plat and send a written notice by regular mail to the fiscal officer of the board of township trustees of the township in which the plat is located and the board of health of the health district in which the plat is located. The notice shall inform the trustees and the board of health of the submission of the plat and of the date, time, and location of any meeting at which the board of county commissioners will consider or act upon the proposed plat. The meeting shall take place within thirty days of submission of the plat, and no meeting shall be held until at least seven days have passed from the date the notice was sent by the board of county commissioners. The approval of the board required by section 711.041 of the Revised Code or the refusal to approve shall take place within thirty days from the date of submission or such further time as the applying party may agree to in writing; otherwise, the plat is deemed approved and may be recorded as if bearing such approval.

(B) The board may adopt general rules governing plats and subdivisions of land falling within its jurisdiction, to secure and provide for the coordination of the streets within the subdivision with existing streets and roads or with existing county highways, for the proper amount of open spaces for traffic, circulation, and utilities, and for the avoidance of future congestion of population detrimental to the public health, safety, or welfare, but shall not impose a greater minimum lot area than forty-eight hundred square feet. Before the board may amend or adopt rules, it shall notify all the townships in the county of the proposed amendments or rules by regular mail at least thirty days before the public meeting at which the proposed amendments or rules are to be considered.

The rules may require the board of health to review and comment on a plat before the board of county commissioners acts upon it and may also require proof of compliance with any applicable zoning resolutions, and with rules governing household sewage treatment ~~rules adopted under section 3718.02 of the Revised Code~~ systems, as a basis for approval of a plat. Where under section 711.101 of the Revised Code the board of county commissioners has set up standards and specifications for the construction of streets, utilities, and other improvements for common use, the general rules may require the submission of appropriate plans and specifications for approval. The board shall not require the person submitting the plat to alter the plat or any part of it as a condition for approval, as long as the plat is in accordance with general rules governing plats and subdivisions of land, adopted by the board as provided in this section, in effect at the time the plat was submitted and the plat is in accordance with any standards and specifications set up under section 711.101 of the Revised Code, in effect at the time the plat was submitted.

(C) The ground of refusal to approve any plat, submitted in accordance with section 711.041 of the Revised Code, shall be stated upon the record of the board, and, within sixty days thereafter, the person submitting any plat that the board refuses to approve may file a petition in the court of common pleas of the county in which the land described in the plat is situated to review the action of the board. A board of township trustees is not entitled to appeal a decision of the

board of county commissioners under this section.

Sec. 711.10. (A) Whenever a county planning commission or a regional planning commission adopts a plan for the major streets or highways of the county or region, no plat of a subdivision of land within the county or region, other than land within a municipal corporation or land within three miles of a city or one and one-half miles of a village as provided in section 711.09 of the Revised Code, shall be recorded until it is approved by the county or regional planning commission under division (C) of this section and the approval is endorsed in writing on the plat.

(B) A county or regional planning commission may require the submission of a preliminary plan for each plat sought to be recorded. If the commission requires this submission, it shall provide for a review process for the preliminary plan. Under this review process, the planning commission shall give its approval, its approval with conditions, or its disapproval of each preliminary plan. The commission's decision shall be in writing, shall be under the signature of the secretary of the commission, and shall be issued within thirty-five business days after the submission of the preliminary plan to the commission. The disapproval of a preliminary plan shall state the reasons for the disapproval. A decision of the commission under this division is preliminary to and separate from the commission's decision to approve, conditionally approve, or refuse to approve a plat under division (C) of this section.

(C) Within five calendar days after the submission of a plat for approval under this division, the county or regional planning commission shall schedule a meeting to consider the plat and send a notice by regular mail or by electronic mail to the fiscal officer of the board of township trustees of the township in which the plat is located and the board of health of the health district in which the plat is located. The notice shall inform the trustees and the board of health of the submission of the plat and of the date, time, and location of any meeting at which the county or regional planning commission will consider or act upon the plat. The meeting shall take place within thirty calendar days after submission of the plat, and no meeting shall be held until at least seven calendar days have passed from the date the planning commission sent the notice.

The approval of the county or regional planning commission, the commission's conditional approval as described in this division, or the refusal of the commission to approve shall be endorsed on the plat within thirty calendar days after the submission of the plat for approval under this division or within such further time as the applying party may agree to in writing; otherwise that plat is deemed approved, and the certificate of the commission as to the date of the submission of the plat for approval under this division and the failure to take action on it within that time shall be sufficient in lieu of the written endorsement or evidence of approval required by this division.

A county or regional planning commission may grant conditional approval under this division to a plat by requiring a person submitting the plat to alter the plat or any part of it, within a specified period after the end of the thirty

calendar days, as a condition for final approval under this division. Once all the conditions have been met within the specified period, the commission shall cause its final approval under this division to be endorsed on the plat. No plat shall be recorded until it is endorsed with the commission's final or unconditional approval under this division.

The ground of refusal of approval of any plat submitted under this division, including citation of or reference to the rule violated by the plat, shall be stated upon the record of the county or regional planning commission. Within sixty calendar days after the refusal under this division, the person submitting any plat that the commission refuses to approve under this division may file a petition in the court of common pleas of the proper county, and the proceedings on the petition shall be governed by section 711.09 of the Revised Code as in the case of the refusal of a planning authority to approve a plat. A board of township trustees is not entitled to appeal a decision of the commission under this division.

A county or regional planning commission shall adopt general rules, of uniform application, governing plats and subdivisions of land falling within its jurisdiction, to secure and provide for the proper arrangement of streets or other highways in relation to existing or planned streets or highways or to the county or regional plan, for adequate and convenient open spaces for traffic, utilities, access of firefighting apparatus, recreation, light, and air, and for the avoidance of congestion of population. The rules may provide for their modification by the commission in specific cases where unusual topographical and other exceptional conditions require the modification. The rules may require the board of health to review and comment on a plat before the commission acts upon it and also may require proof of compliance with any applicable zoning resolutions, and with rules governing household sewage treatment ~~rules adopted under section 3718.02 of the Revised Code~~ systems, as a basis for approval of a plat.

Before adoption of its rules or amendment of its rules, the commission shall hold a public hearing on the adoption or amendment. Notice of the public hearing shall be sent to all townships in the county or region by regular mail or electronic mail at least thirty business days before the hearing. No county or regional planning commission shall adopt any rules requiring actual construction of streets or other improvements or facilities or assurance of that construction as a condition precedent to the approval of a plat of a subdivision unless the requirements have first been adopted by the board of county commissioners after a public hearing. A copy of the rules shall be certified by the planning commission to the county recorders of the appropriate counties.

After a county or regional street or highway plan has been adopted as provided in this section, the approval of plats and subdivisions provided for in this section shall be in lieu of any approvals provided for in other sections of the Revised Code, insofar as the territory within the approving jurisdiction of the county or regional planning commission, as provided in this section, is concerned. Approval of a plat shall not be an acceptance by the public of the dedication of any street, highway, or other way or open space shown upon the

plat.

No county or regional planning commission shall require a person submitting a plat to alter the plat or any part of it as long as the plat is in accordance with the general rules governing plats and subdivisions of land, adopted by the commission as provided in this section, in effect at the time the plat is submitted.

A county or regional planning commission and a city or village planning commission, or platting commissioner or legislative authority of a village, with subdivision regulation jurisdiction over unincorporated territory within the county or region may cooperate and agree by written agreement that the approval of a plat by the city or village planning commission, or platting commissioner or legislative authority of a village, as provided in section 711.09 of the Revised Code, shall be conditioned upon receiving advice from or approval by the county or regional planning commission.

(D) As used in this section, "business day" means a day of the week excluding Saturday, Sunday, or a legal holiday as defined in section 1.14 of the Revised Code.

Sec. 711.131. (A) Notwithstanding sections 711.001 to 711.13 of the Revised Code and except as provided in division (C) of this section, unless the rules adopted under section 711.05, 711.09, or 711.10 of the Revised Code are amended pursuant to division (B) of this section, a proposed division of a parcel of land along an existing public street, not involving the opening, widening, or extension of any street or road, and involving no more than five lots after the original tract has been completely subdivided, may be submitted to the planning authority having approving jurisdiction of plats under section 711.05, 711.09, or 711.10 of the Revised Code for approval without plat. If the authority acting through a properly designated representative finds that a proposed division is not contrary to applicable platting, subdividing, zoning, health, sanitary, or access management regulations, regulations adopted under division (B)(3) of section 307.37 of the Revised Code regarding existing surface or subsurface drainage, or rules governing household sewage treatment ~~rules adopted under section 3718.02 of the Revised Code~~ systems, it shall approve the proposed division within seven business days after its submission and, on presentation of a conveyance of the parcel, shall stamp the conveyance "approved by (planning authority); no plat required" and have it signed by its clerk, secretary, or other official as may be designated by it. The planning authority may require the submission of a sketch and other information that is pertinent to its determination under this division.

(B) For a period of up to two years after April 15, 2005, the rules adopted under section 711.05, 711.09, or 711.10 of the Revised Code may be amended within that period to authorize the planning authority involved to approve proposed divisions of parcels of land without plat under this division. If an authority so amends its rules, it may approve no more than five lots without a plat from an original tract as that original tract exists on the effective date of the

amendment to the rules. The authority shall make the findings and approve a proposed division in the time and manner specified in division (A) of this section.

(C) This section does not apply to parcels subject to section 711.133 of the Revised Code.

(D) As used in this section, "business day" means a day of the week excluding Saturday, Sunday, or a legal holiday as defined in section 1.14 of the Revised Code."

In line 69727, strike through "3718.,"

In line 69734, after "to" insert " home sewage,"; after "control" insert an underlined comma

Between lines 89912 and 89913, insert:

"**Sec. 6111.04.** (A) Both of the following apply except as otherwise provided in division (A) or (F) of this section:

(1) No person shall cause pollution or place or cause to be placed any sewage, sludge, sludge materials, industrial waste, or other wastes in a location where they cause pollution of any waters of the state.

(2) Such an action prohibited under division (A)(1) of this section is hereby declared to be a public nuisance.

Divisions (A)(1) and (2) of this section do not apply if the person causing pollution or placing or causing to be placed wastes in a location in which they cause pollution of any waters of the state holds a valid, unexpired permit, or renewal of a permit, governing the causing or placement as provided in sections 6111.01 to 6111.08 of the Revised Code or if the person's application for renewal of such a permit is pending.

(B) If the director of environmental protection administers a sludge management program pursuant to division (S) of section 6111.03 of the Revised Code, both of the following apply except as otherwise provided in division (B) or (F) of this section:

(1) No person, in the course of sludge management, shall place on land located in the state or release into the air of the state any sludge or sludge materials.

(2) An action prohibited under division (B)(1) of this section is hereby declared to be a public nuisance.

Divisions (B)(1) and (2) of this section do not apply if the person placing or releasing the sludge or sludge materials holds a valid, unexpired permit, or renewal of a permit, governing the placement or release as provided in sections 6111.01 to 6111.08 of the Revised Code or if the person's application for renewal of such a permit is pending.

(C) No person to whom a permit has been issued shall place or discharge, or cause to be placed or discharged, in any waters of the state any sewage, sludge, sludge materials, industrial waste, or other wastes in excess of the permissive discharges specified under an existing permit without first receiving a permit from the director to do so.

(D) No person to whom a sludge management permit has been issued shall place on the land or release into the air of the state any sludge or sludge materials in excess of the permissive amounts specified under the existing sludge management permit without first receiving a modification of the existing sludge management permit or a new sludge management permit to do so from the director.

(E) The director may require the submission of plans, specifications, and other information that the director considers relevant in connection with the issuance of permits.

(F) This section does not apply to any of the following:

(1) Waters used in washing sand, gravel, other aggregates, or mineral products when the washing and the ultimate disposal of the water used in the washing, including any sewage, industrial waste, or other wastes contained in the waters, are entirely confined to the land under the control of the person engaged in the recovery and processing of the sand, gravel, other aggregates, or mineral products and do not result in the pollution of waters of the state;

(2) Water, gas, or other material injected into a well to facilitate, or that is incidental to, the production of oil, gas, artificial brine, or water derived in association with oil or gas production and disposed of in a well, in compliance with a permit issued under Chapter 1509. of the Revised Code, or sewage, industrial waste, or other wastes injected into a well in compliance with an injection well operating permit. Division (F)(2) of this section does not authorize, without a permit, any discharge that is prohibited by, or for which a permit is required by, regulation of the United States environmental protection agency.

(3) Application of any materials to land for agricultural purposes or runoff of the materials from that application or pollution by animal waste or soil sediment, including attached substances, resulting from farming, silvicultural, or earthmoving activities regulated by Chapter 307. or 1511. of the Revised Code. Division (F)(3) of this section does not authorize, without a permit, any discharge that is prohibited by, or for which a permit is required by, the Federal Water Pollution Control Act or regulations adopted under it.

(4) The excrement of domestic and farm animals defecated on land or runoff therefrom into any waters of the state. Division (F)(4) of this section does not authorize, without a permit, any discharge that is prohibited by, or for which a permit is required by, the Federal Water Pollution Control Act or regulations adopted under it.

(5) On and after the date on which the United States environmental protection agency approves the NPDES program submitted by the director of agriculture under section 903.08 of the Revised Code, any discharge that is within the scope of the approved NPDES program submitted by the director of agriculture;

(6) The discharge of sewage, industrial waste, or other wastes into a sewerage system tributary to a treatment works. Division (F)(6) of this section does not authorize any discharge into a publicly owned treatment works in violation of a pretreatment program applicable to the publicly owned treatment works.

(7) ~~A household sewage treatment system or a small flow on-site sewage treatment system, as applicable, as defined in section 3718.01 of the Revised Code that is installed~~ Septic tanks or other disposal systems for the disposal or treatment of sewage from single-family, two-family, or three-family dwellings in compliance with ~~Chapter 3718.~~ the sanitary code and section 3707.01 of the Revised Code ~~and rules adopted under it~~. Division (F)(7) of this section does not authorize, without a permit, any discharge that is prohibited by, or for which a permit is required by, regulation of the United States environmental protection agency.

(8) Exceptional quality sludge generated outside of this state and contained in bags or other containers not greater than one hundred pounds in capacity. As used in division (F)(8) of this section, "exceptional quality sludge" has the same meaning as in division (Y) of section 3745.11 of the Revised Code.

(G) The holder of a permit issued under section 402 (a) of the Federal Water Pollution Control Act need not obtain a permit for a discharge authorized by the permit until its expiration date. Except as otherwise provided in this division, the director of environmental protection shall administer and enforce those permits within this state and may modify their terms and conditions in accordance with division (J) of section 6111.03 of the Revised Code. On and after the date on which the United States environmental protection agency approves the NPDES program submitted by the director of agriculture under section 903.08 of the Revised Code, the director of agriculture shall administer and enforce those permits within this state that are issued for any discharge that is within the scope of the approved NPDES program submitted by the director of agriculture."

Between lines 90147 and 90148, insert:

"**Sec. 6111.44.** (A) Except as otherwise provided in division (B) of this section, in section 6111.14 of the Revised Code, or in rules adopted under division (G) of section 6111.03 of the Revised Code, no municipal corporation, county, public institution, corporation, or officer or employee thereof or other person shall provide or install sewerage or treatment works for sewage, sludge, or sludge materials disposal or treatment or make a change in any sewerage or treatment works until the plans therefor have been submitted to and approved by

the director of environmental protection. Sections 6111.44 to 6111.46 of the Revised Code apply to sewerage and treatment works of a municipal corporation or part thereof, an unincorporated community, a county sewer district, or other land outside of a municipal corporation or any publicly or privately owned building or group of buildings or place, used for the assemblage, entertainment, recreation, education, correction, hospitalization, housing, or employment of persons.

In granting an approval, the director may stipulate modifications, conditions, and rules that the public health and prevention of pollution may require. Any action taken by the director shall be a matter of public record and shall be entered in the director's journal. Each period of thirty days that a violation of this section continues, after a conviction for the violation, constitutes a separate offense.

(B) Sections 6111.45 and 6111.46 of the Revised Code and division (A) of this section do not apply to any of the following:

(1) Sewerage or treatment works for sewage installed or to be installed for the use of a private residence or dwelling;

(2) Sewerage systems, treatment works, or disposal systems for storm water from an animal feeding facility or manure, as "animal feeding facility" and "manure" are defined in section 903.01 of the Revised Code;

(3) Animal waste treatment or disposal works and related management and conservation practices that are subject to rules adopted under division (E)(2) of section 1511.02 of the Revised Code ~~;~~

~~(4) Sewerage or treatment works for the on-lot disposal or treatment of sewage from a small flow on-site sewage treatment system, as defined in section 3718.01 of the Revised Code, if the board of health of a city or general health district has notified the director of health and the director of environmental protection under section 3718.021 of the Revised Code that the board has chosen to regulate the system, provided that the board remains in compliance with the rules adopted under division (A)(13) of section 3718.02 of the Revised Code~~.

The exclusions established in divisions (B)(2) and (3) of this section do not apply to the construction or installation of disposal systems, as defined in section 6111.01 of the Revised Code, that are located at an animal feeding facility and that store, treat, or discharge wastewaters that do not include storm water or manure or that discharge to a publicly owned treatment works."

In line 90817, after "504.21," insert "711.001, 711.05, 711.10, 711.131,"

In line 90921, after "6109.21," insert "6111.04,"

In line 90922, after "6111.044," insert "6111.44,"

In line 104809, delete the first comma and insert "and"; delete ", and 120.05"

In line 104813, strike through "July" and insert " January"; delete " 2011"

and insert " 2010"

In line 104815, strike through "July" and insert " January"; delete " 2011" and insert " 2010"

In line 105053, strike through "July" and insert " January"; delete " 2011" and insert " 2010"

In line 105057, strike through "July" and insert " January"; delete " 2011" and insert " 2010"

Delete lines 105060 and 105061

In line 105062, delete the first comma and insert "and"; delete ", and"

In line 105063, delete "120.05"

Between lines 105064 and 105065, insert:

"**Section 640.22.** That sections 711.001, 711.05, 711.10, 711.131, 4736.01, 6111.04, and 6111.44 of the Revised Code be amended to read as follows:

Sec. 711.001. As used in this chapter:

(A) "Plat" means a map of a tract or parcel of land.

(B) "Subdivision" means either of the following:

(1) The division of any parcel of land shown as a unit or as contiguous units on the last preceding general tax list and duplicate of real and public utility property, into two or more parcels, sites, or lots, any one of which is less than five acres for the purpose, whether immediate or future, of transfer of ownership, provided, however, that the following are exempt:

(a) A division or partition of land into parcels of more than five acres not involving any new streets or easements of access;

(b) The sale or exchange of parcels between adjoining lot owners, where that sale or exchange does not create additional building sites;

(c) If the planning authority adopts a rule in accordance with section 711.133 of the Revised Code that exempts from division (B)(1) of this section any parcel of land that is four acres or more, parcels in the size range delineated in that rule.

(2) The improvement of one or more parcels of land for residential, commercial, or industrial structures or groups of structures involving the division or allocation of land for the opening, widening, or extension of any public or private street or streets, except private streets serving industrial structures, or involving the division or allocation of land as open spaces for common use by owners, occupants, or leaseholders or as easements for the extension and maintenance of public or private sewer, water, storm drainage, or other similar facilities.

~~(C) "Household sewage treatment system" has the same meaning as in section 3709.091 of the Revised Code.~~

Sec. 711.05. (A) Upon the submission of a plat for approval, in accordance with section 711.041 of the Revised Code, the board of county commissioners shall certify on it the date of the submission. Within five days of submission of the plat, the board shall schedule a meeting to consider the plat and send a written notice by regular mail to the fiscal officer of the board of township trustees of the township in which the plat is located and the board of health of the health district in which the plat is located. The notice shall inform the trustees and the board of health of the submission of the plat and of the date, time, and location of any meeting at which the board of county commissioners will consider or act upon the proposed plat. The meeting shall take place within thirty days of submission of the plat, and no meeting shall be held until at least seven days have passed from the date the notice was sent by the board of county commissioners. The approval of the board required by section 711.041 of the Revised Code or the refusal to approve shall take place within thirty days from the date of submission or such further time as the applying party may agree to in writing; otherwise, the plat is deemed approved and may be recorded as if bearing such approval.

(B) The board may adopt general rules governing plats and subdivisions of land falling within its jurisdiction, to secure and provide for the coordination of the streets within the subdivision with existing streets and roads or with existing county highways, for the proper amount of open spaces for traffic, circulation, and utilities, and for the avoidance of future congestion of population detrimental to the public health, safety, or welfare, but shall not impose a greater minimum lot area than forty-eight hundred square feet. Before the board may amend or adopt rules, it shall notify all the townships in the county of the proposed amendments or rules by regular mail at least thirty days before the public meeting at which the proposed amendments or rules are to be considered.

The rules may require the board of health to review and comment on a plat before the board of county commissioners acts upon it and may also require proof of compliance with any applicable zoning resolutions, and with ~~rules governing~~ household sewage treatment ~~systems~~ rules adopted under section 3718.02 of the Revised Code, as a basis for approval of a plat. Where under section 711.101 of the Revised Code the board of county commissioners has set up standards and specifications for the construction of streets, utilities, and other improvements for common use, the general rules may require the submission of appropriate plans and specifications for approval. The board shall not require the person submitting the plat to alter the plat or any part of it as a condition for approval, as long as the plat is in accordance with general rules governing plats and subdivisions of land, adopted by the board as provided in this section, in effect at the time the plat was submitted and the plat is in accordance with any standards and specifications set up under section 711.101 of the Revised Code, in effect at the time the plat was submitted.

(C) The ground of refusal to approve any plat, submitted in accordance with section 711.041 of the Revised Code, shall be stated upon the record of the board, and, within sixty days thereafter, the person submitting any plat that the board refuses to approve may file a petition in the court of common pleas of the county in which the land described in the plat is situated to review the action of the board. A board of township trustees is not entitled to appeal a decision of the board of county commissioners under this section.

Sec. 711.10. (A) Whenever a county planning commission or a regional planning commission adopts a plan for the major streets or highways of the county or region, no plat of a subdivision of land within the county or region, other than land within a municipal corporation or land within three miles of a city or one and one-half miles of a village as provided in section 711.09 of the Revised Code, shall be recorded until it is approved by the county or regional planning commission under division (C) of this section and the approval is endorsed in writing on the plat.

(B) A county or regional planning commission may require the submission of a preliminary plan for each plat sought to be recorded. If the commission requires this submission, it shall provide for a review process for the preliminary plan. Under this review process, the planning commission shall give its approval, its approval with conditions, or its disapproval of each preliminary plan. The commission's decision shall be in writing, shall be under the signature of the secretary of the commission, and shall be issued within thirty-five business days after the submission of the preliminary plan to the commission. The disapproval of a preliminary plan shall state the reasons for the disapproval. A decision of the commission under this division is preliminary to and separate from the commission's decision to approve, conditionally approve, or refuse to approve a plat under division (C) of this section.

(C) Within five calendar days after the submission of a plat for approval under this division, the county or regional planning commission shall schedule a meeting to consider the plat and send a notice by regular mail or by electronic mail to the fiscal officer of the board of township trustees of the township in which the plat is located and the board of health of the health district in which the plat is located. The notice shall inform the trustees and the board of health of the submission of the plat and of the date, time, and location of any meeting at which the county or regional planning commission will consider or act upon the plat. The meeting shall take place within thirty calendar days after submission of the plat, and no meeting shall be held until at least seven calendar days have passed from the date the planning commission sent the notice.

The approval of the county or regional planning commission, the commission's conditional approval as described in this division, or the refusal of the commission to approve shall be endorsed on the plat within thirty calendar days after the submission of the plat for approval under this division or within such further time as the applying party may agree to in writing; otherwise that plat is deemed approved, and the certificate of the commission as to the date of

the submission of the plat for approval under this division and the failure to take action on it within that time shall be sufficient in lieu of the written endorsement or evidence of approval required by this division.

A county or regional planning commission may grant conditional approval under this division to a plat by requiring a person submitting the plat to alter the plat or any part of it, within a specified period after the end of the thirty calendar days, as a condition for final approval under this division. Once all the conditions have been met within the specified period, the commission shall cause its final approval under this division to be endorsed on the plat. No plat shall be recorded until it is endorsed with the commission's final or unconditional approval under this division.

The ground of refusal of approval of any plat submitted under this division, including citation of or reference to the rule violated by the plat, shall be stated upon the record of the county or regional planning commission. Within sixty calendar days after the refusal under this division, the person submitting any plat that the commission refuses to approve under this division may file a petition in the court of common pleas of the proper county, and the proceedings on the petition shall be governed by section 711.09 of the Revised Code as in the case of the refusal of a planning authority to approve a plat. A board of township trustees is not entitled to appeal a decision of the commission under this division.

A county or regional planning commission shall adopt general rules, of uniform application, governing plats and subdivisions of land falling within its jurisdiction, to secure and provide for the proper arrangement of streets or other highways in relation to existing or planned streets or highways or to the county or regional plan, for adequate and convenient open spaces for traffic, utilities, access of firefighting apparatus, recreation, light, and air, and for the avoidance of congestion of population. The rules may provide for their modification by the commission in specific cases where unusual topographical and other exceptional conditions require the modification. The rules may require the board of health to review and comment on a plat before the commission acts upon it and also may require proof of compliance with any applicable zoning resolutions, and with ~~rules governing~~ household sewage treatment ~~systems~~ rules adopted under section 3718.02 of the Revised Code, as a basis for approval of a plat.

Before adoption of its rules or amendment of its rules, the commission shall hold a public hearing on the adoption or amendment. Notice of the public hearing shall be sent to all townships in the county or region by regular mail or electronic mail at least thirty business days before the hearing. No county or regional planning commission shall adopt any rules requiring actual construction of streets or other improvements or facilities or assurance of that construction as a condition precedent to the approval of a plat of a subdivision unless the requirements have first been adopted by the board of county commissioners after a public hearing. A copy of the rules shall be certified by the planning commission to the county recorders of the appropriate counties.

After a county or regional street or highway plan has been adopted as

provided in this section, the approval of plats and subdivisions provided for in this section shall be in lieu of any approvals provided for in other sections of the Revised Code, insofar as the territory within the approving jurisdiction of the county or regional planning commission, as provided in this section, is concerned. Approval of a plat shall not be an acceptance by the public of the dedication of any street, highway, or other way or open space shown upon the plat.

No county or regional planning commission shall require a person submitting a plat to alter the plat or any part of it as long as the plat is in accordance with the general rules governing plats and subdivisions of land, adopted by the commission as provided in this section, in effect at the time the plat is submitted.

A county or regional planning commission and a city or village planning commission, or platting commissioner or legislative authority of a village, with subdivision regulation jurisdiction over unincorporated territory within the county or region may cooperate and agree by written agreement that the approval of a plat by the city or village planning commission, or platting commissioner or legislative authority of a village, as provided in section 711.09 of the Revised Code, shall be conditioned upon receiving advice from or approval by the county or regional planning commission.

(D) As used in this section, "business day" means a day of the week excluding Saturday, Sunday, or a legal holiday as defined in section 1.14 of the Revised Code.

Sec. 711.131. (A) Notwithstanding sections 711.001 to 711.13 of the Revised Code and except as provided in division (C) of this section, unless the rules adopted under section 711.05, 711.09, or 711.10 of the Revised Code are amended pursuant to division (B) of this section, a proposed division of a parcel of land along an existing public street, not involving the opening, widening, or extension of any street or road, and involving no more than five lots after the original tract has been completely subdivided, may be submitted to the planning authority having approving jurisdiction of plats under section 711.05, 711.09, or 711.10 of the Revised Code for approval without plat. If the authority acting through a properly designated representative finds that a proposed division is not contrary to applicable platting, subdividing, zoning, health, sanitary, or access management regulations ~~or~~ , regulations adopted under division (B)(3) of section 307.37 of the Revised Code regarding existing surface or subsurface drainage, or ~~rules governing~~ household sewage treatment ~~systems~~ rules adopted under section 3718.02 of the Revised Code, it shall approve the proposed division within seven business days after its submission and, on presentation of a conveyance of the parcel, shall stamp the conveyance "approved by (planning authority); no plat required" and have it signed by its clerk, secretary, or other official as may be designated by it. The planning authority may require the submission of a sketch and other information that is pertinent to its determination under this division.

(B) For a period of up to two years after ~~April 15, 2005~~ the effective date

of this amendment, the rules adopted under section 711.05, 711.09, or 711.10 of the Revised Code may be amended within that period to authorize the planning authority involved to approve proposed divisions of parcels of land without plat under this division. If an authority so amends its rules, it may approve no more than five lots without a plat from an original tract as that original tract exists on the effective date of the amendment to the rules. The authority shall make the findings and approve a proposed division in the time and manner specified in division (A) of this section.

(C) This section does not apply to parcels subject to section 711.133 of the Revised Code.

(D) As used in this section, "business day" means a day of the week excluding Saturday, Sunday, or a legal holiday as defined in section 1.14 of the Revised Code.

Sec. 4736.01. As used in this chapter:

(A) "Environmental health science" means the aspect of public health science that includes, but is not limited to, the following bodies of knowledge: air quality, food quality and protection, hazardous and toxic substances, consumer product safety, housing, institutional health and safety, community noise control, radiation protection, recreational facilities, solid and liquid waste management, vector control, drinking water quality, milk sanitation, and rabies control.

(B) "Sanitarian" means a person who performs for compensation educational, investigational, technical, or administrative duties requiring specialized knowledge and skills in the field of environmental health science.

(C) "Registered sanitarian" means a person who is registered as a sanitarian in accordance with this chapter.

(D) "Sanitarian-in-training" means a person who is registered as a sanitarian-in-training in accordance with this chapter.

(E) "Practice of environmental health" means consultation, instruction, investigation, inspection, or evaluation by an employee of a city health district, a general health district, the environmental protection agency, the department of health, or the department of agriculture requiring specialized knowledge, training, and experience in the field of environmental health science, with the primary purpose of improving or conducting administration or enforcement under any of the following:

(1) Chapter 911., 913., 917., 3717., 3718., 3721., 3729., or 3733. of the Revised Code;

(2) Chapter 3734. of the Revised Code as it pertains to solid waste;

(3) Section 955.26, 3701.344, 3707.01, or 3707.03, sections 3707.38 to 3707.99, or section 3715.21 of the Revised Code;

(4) Rules adopted under section 3701.34 of the Revised Code pertaining

to ~~home sewage,~~ rabies control ~~,~~ or swimming pools;

(5) Rules adopted under section 3701.935 of the Revised Code for school health and safety network inspections and rules adopted under section 3707.26 of the Revised Code for sanitary inspections.

"Practice of environmental health" does not include sampling, testing, controlling of vectors, reporting of observations, or other duties that do not require application of specialized knowledge and skills in environmental health science performed under the supervision of a registered sanitarian.

The state board of sanitarian registration may further define environmental health science in relation to specific functions in the practice of environmental health through rules adopted by the board under Chapter 119. of the Revised Code.

Sec. 6111.04. (A) Both of the following apply except as otherwise provided in division (A) or (F) of this section:

(1) No person shall cause pollution or place or cause to be placed any sewage, sludge, sludge materials, industrial waste, or other wastes in a location where they cause pollution of any waters of the state.

(2) Such an action prohibited under division (A)(1) of this section is hereby declared to be a public nuisance.

Divisions (A)(1) and (2) of this section do not apply if the person causing pollution or placing or causing to be placed wastes in a location in which they cause pollution of any waters of the state holds a valid, unexpired permit, or renewal of a permit, governing the causing or placement as provided in sections 6111.01 to 6111.08 of the Revised Code or if the person's application for renewal of such a permit is pending.

(B) If the director of environmental protection administers a sludge management program pursuant to division (S) of section 6111.03 of the Revised Code, both of the following apply except as otherwise provided in division (B) or (F) of this section:

(1) No person, in the course of sludge management, shall place on land located in the state or release into the air of the state any sludge or sludge materials.

(2) An action prohibited under division (B)(1) of this section is hereby declared to be a public nuisance.

Divisions (B)(1) and (2) of this section do not apply if the person placing or releasing the sludge or sludge materials holds a valid, unexpired permit, or renewal of a permit, governing the placement or release as provided in sections 6111.01 to 6111.08 of the Revised Code or if the person's application for renewal of such a permit is pending.

(C) No person to whom a permit has been issued shall place or discharge,

or cause to be placed or discharged, in any waters of the state any sewage, sludge, sludge materials, industrial waste, or other wastes in excess of the permissive discharges specified under an existing permit without first receiving a permit from the director to do so.

(D) No person to whom a sludge management permit has been issued shall place on the land or release into the air of the state any sludge or sludge materials in excess of the permissive amounts specified under the existing sludge management permit without first receiving a modification of the existing sludge management permit or a new sludge management permit to do so from the director.

(E) The director may require the submission of plans, specifications, and other information that the director considers relevant in connection with the issuance of permits.

(F) This section does not apply to any of the following:

(1) Waters used in washing sand, gravel, other aggregates, or mineral products when the washing and the ultimate disposal of the water used in the washing, including any sewage, industrial waste, or other wastes contained in the waters, are entirely confined to the land under the control of the person engaged in the recovery and processing of the sand, gravel, other aggregates, or mineral products and do not result in the pollution of waters of the state;

(2) Water, gas, or other material injected into a well to facilitate, or that is incidental to, the production of oil, gas, artificial brine, or water derived in association with oil or gas production and disposed of in a well, in compliance with a permit issued under Chapter 1509. of the Revised Code, or sewage, industrial waste, or other wastes injected into a well in compliance with an injection well operating permit. Division (F)(2) of this section does not authorize, without a permit, any discharge that is prohibited by, or for which a permit is required by, regulation of the United States environmental protection agency.

(3) Application of any materials to land for agricultural purposes or runoff of the materials from that application or pollution by animal waste or soil sediment, including attached substances, resulting from farming, silvicultural, or earthmoving activities regulated by Chapter 307. or 1511. of the Revised Code. Division (F)(3) of this section does not authorize, without a permit, any discharge that is prohibited by, or for which a permit is required by, the Federal Water Pollution Control Act or regulations adopted under it.

(4) The excrement of domestic and farm animals defecated on land or runoff therefrom into any waters of the state. Division (F)(4) of this section does not authorize, without a permit, any discharge that is prohibited by, or for which a permit is required by, the Federal Water Pollution Control Act or regulations adopted under it.

(5) On and after the date on which the United States environmental

protection agency approves the NPDES program submitted by the director of agriculture under section 903.08 of the Revised Code, any discharge that is within the scope of the approved NPDES program submitted by the director of agriculture;

(6) The discharge of sewage, industrial waste, or other wastes into a sewerage system tributary to a treatment works. Division (F)(6) of this section does not authorize any discharge into a publicly owned treatment works in violation of a pretreatment program applicable to the publicly owned treatment works.

(7) ~~Septic tanks or other disposal systems for the disposal or treatment of sewage from single-family, two-family, or three-family dwellings~~ A household sewage treatment system or a small flow on-site sewage treatment system, as applicable, as defined in section 3718.01 of the Revised Code that is installed in compliance with ~~the sanitary code and section 3707.01~~ Chapter 3718. of the Revised Code and rules adopted under it. Division (F)(7) of this section does not authorize, without a permit, any discharge that is prohibited by, or for which a permit is required by, regulation of the United States environmental protection agency.

(8) Exceptional quality sludge generated outside of this state and contained in bags or other containers not greater than one hundred pounds in capacity. As used in division (F)(8) of this section, "exceptional quality sludge" has the same meaning as in division (Y) of section 3745.11 of the Revised Code.

(G) The holder of a permit issued under section 402 (a) of the Federal Water Pollution Control Act need not obtain a permit for a discharge authorized by the permit until its expiration date. Except as otherwise provided in this division, the director of environmental protection shall administer and enforce those permits within this state and may modify their terms and conditions in accordance with division (J) of section 6111.03 of the Revised Code. On and after the date on which the United States environmental protection agency approves the NPDES program submitted by the director of agriculture under section 903.08 of the Revised Code, the director of agriculture shall administer and enforce those permits within this state that are issued for any discharge that is within the scope of the approved NPDES program submitted by the director of agriculture.

Sec. 6111.44. (A) Except as otherwise provided in division (B) of this section, in section 6111.14 of the Revised Code, or in rules adopted under division (G) of section 6111.03 of the Revised Code, no municipal corporation, county, public institution, corporation, or officer or employee thereof or other person shall provide or install sewerage or treatment works for sewage, sludge, or sludge materials disposal or treatment or make a change in any sewerage or treatment works until the plans therefor have been submitted to and approved by the director of environmental protection. Sections 6111.44 to 6111.46 of the Revised Code apply to sewerage and treatment works of a municipal corporation or part thereof, an unincorporated community, a county sewer district, or other

land outside of a municipal corporation or any publicly or privately owned building or group of buildings or place, used for the assemblage, entertainment, recreation, education, correction, hospitalization, housing, or employment of persons.

In granting an approval, the director may stipulate modifications, conditions, and rules that the public health and prevention of pollution may require. Any action taken by the director shall be a matter of public record and shall be entered in the director's journal. Each period of thirty days that a violation of this section continues, after a conviction for the violation, constitutes a separate offense.

(B) Sections 6111.45 and 6111.46 of the Revised Code and division (A) of this section do not apply to any of the following:

(1) Sewerage or treatment works for sewage installed or to be installed for the use of a private residence or dwelling;

(2) Sewerage systems, treatment works, or disposal systems for storm water from an animal feeding facility or manure, as "animal feeding facility" and "manure" are defined in section 903.01 of the Revised Code;

(3) Animal waste treatment or disposal works and related management and conservation practices that are subject to rules adopted under division (E)(2) of section 1511.02 of the Revised Code ;

(4) Sewerage or treatment works for the on-lot disposal or treatment of sewage from a small flow on-site sewage treatment system, as defined in section 3718.01 of the Revised Code, if the board of health of a city or general health district has notified the director of health and the director of environmental protection under section 3718.021 of the Revised Code that the board has chosen to regulate the system, provided that the board remains in compliance with the rules adopted under division (A)(13) of section 3718.02 of the Revised Code.

The exclusions established in divisions (B)(2) and (3) of this section do not apply to the construction or installation of disposal systems, as defined in section 6111.01 of the Revised Code, that are located at an animal feeding facility and that store, treat, or discharge wastewaters that do not include storm water or manure or that discharge to a publicly owned treatment works.

Section 640.23. That existing sections 711.001, 711.05, 711.10, 711.131, 4736.01, 6111.04, and 6111.44 of the Revised Code are hereby repealed.

Section 640.24. Sections 640.22 and 640.23 take effect on January 1, 2010."

Between lines 106548 and 106549, insert:

"The amendment by this act of sections 711.001, 711.05, 711.10, 711.131, 4736.01, 6111.04, and 6111.044 of the Revised Code as amended by Sections 101.01 and 101.02 takes effect immediately when this act becomes law."

In line 106562, delete the first comma and insert "and"; delete ", and 120.05"

In line 106563, delete "July 1,"

In line 106564, delete "2009" and insert "immediately when this act becomes law"

In line 30 of the title, after "504.21," insert "711.001, 711.05, 711.10, 711.131,"

In line 173 of the title, after "6109.21," insert "6111.04,"; after "6111.044," insert "6111.44,"

In line 250 of the title, delete the first comma and insert "and"; delete ", and 120.05"

In line 273 of the title, after the semicolon insert "to further amend sections 711.001, 711.05, 711.10, 711.131, 4736.01, 6111.04, and 6111.44 of the Revised Code effective January 1, 2010;"

In line 376, after "4141.162," insert "4301.333, 4301.334, 4301.351, 4301.354, 4301.355, 4301.356, 4301.361, 4301.364, 4301.365, 4301.366,"

Between lines 61802 and 61803, insert:

"**Sec. 4301.333.** (A) The privilege of local option conferred by section 4301.323 of the Revised Code may be exercised if, not later than four p.m. of the seventy-fifth day before the day of a general or primary election, a petition is presented to the board of elections of the county in which the precinct is situated by a petitioner who is one of the following:

(1) An applicant for the issuance or transfer of a liquor permit at, or to, a particular location within the precinct;

(2) The holder of a liquor permit at a particular location within the precinct;

(3) A person who operates or seeks to operate a liquor agency store at a particular location within the precinct;

(4) The designated agent for an applicant, liquor permit holder, or liquor agency store described in division (A)(1), (2), or (3) of this section.

(B) The petition shall be signed by the electors of the precinct equal in number to at least thirty-five per cent of the total number of votes cast in the precinct for the office of governor at the preceding general election for that office and shall contain all of the following:

(1) A notice that the petition is for the submission of the question or questions set forth in section 4301.355 of the Revised Code;

(2) The name of the applicant for the issuance or transfer, or the holder, of the liquor permit or, if applicable, the name of the liquor agency store,

including any trade or fictitious names under which the applicant, holder, or liquor agency store either intends to do or does business at the particular location;

(3) The address and proposed use of the particular location within the election precinct to which the results of the question or questions specified in section 4301.355 of the Revised Code shall apply. For purposes of this division, "use" means all of the following:

(a) The type of each liquor permit applied for by the applicant or held by the liquor permit holder as described in sections 4303.11 to 4303.183 of the Revised Code, including a description of the type of beer or intoxicating liquor sales authorized by each permit as provided in those sections;

(b) If a liquor agency store, the fact that the business operated as a liquor agency store authorized to operate by this state;

(c) A description of the general nature of the business of the applicant, liquor permit holder, or liquor agency store.

(4) If the petition seeks approval of Sunday sales under question (B)(2) as set forth in section 4301.355 of the Revised Code, a statement indicating whether the hours of sale sought are between ten a.m. and midnight or between ~~one p.m.~~ eleven a.m. and midnight.

(C)(1) At the time the petitioner files the petition with the board of elections, the petitioner shall provide to the board both of the following:

(a) An affidavit that is signed by the petitioner and that states the proposed use of the location following the election held to authorize the sale of beer or intoxicating liquor authorized by each permit as provided in sections 4303.11 to 4303.183 of the Revised Code;

(b) Written evidence of the designation of an agent by the applicant, liquor permit holder, or liquor agency store described in division (A)(1), (2), or (3) of this section for the purpose of petitioning for the local option election, if the petitioner is the designated agent of the applicant, liquor permit holder, or liquor agency store.

(2) Failure to supply the affidavit, or the written evidence of the designation of the agent if the petitioner for the local option election is the agent of the applicant, liquor permit holder, or liquor agency store described in division (A)(1), (2), or (3) of this section, at the time the petition is filed invalidates the entire petition.

(D) Not later than the sixty-eighth day before the day of the next general or primary election, whichever occurs first, the board shall examine and determine the sufficiency of the signatures and the validity of the petition. If the board finds that the petition contains sufficient signatures and in other respects is valid, it shall order the holding of an election in the precinct on the day of the next general or primary election, whichever occurs first, for the submission of

the question or questions set forth in section 4301.355 of the Revised Code.

(E) A petition filed with the board of elections under this section shall be open to public inspection under rules adopted by the board.

(F) An elector who is eligible to vote on the question or questions set forth in section 4301.355 of the Revised Code may file, not later than four p.m. of the sixty-fourth day before the day of the election at which the question or questions will be submitted to the electors, a protest against a local option petition circulated and filed pursuant to this section. The protest shall be in writing and shall be filed with the election officials with whom the petition was filed. Upon the filing of the protest, the election officials with whom it is filed shall promptly establish a time and place for hearing the protest and shall mail notice of the time and place for the hearing to the applicant for, or the holder of, the liquor permit who is specified in the petition and to the elector who filed the protest. At the time and place established in the notice, the election officials shall hear the protest and determine the validity of the petition.

Sec. 4301.334. (A) The privilege of local option conferred by section 4301.324 of the Revised Code may be exercised if, not later than four p.m. of the seventy-fifth day before the day of a general or primary election, a petition and other information required by division (B) of this section are presented to the board of elections of the county in which the community facility named in the petition is located. The petition shall be signed by electors of the municipal corporation or unincorporated area of the township in which the community facility is located equal in number to at least ten per cent of the total number of votes cast in the municipal corporation or unincorporated area of the township in which the community facility is located for the office of governor at the most recent general election for that office and shall contain both of the following:

(1) A notice that the petition is for the submission of the question set forth in section 4301.356 of the Revised Code and a statement indicating whether the hours of Sunday sales sought in the local option election are between ten a.m. and midnight or between eleven a.m. and midnight;

(2) The name and address of the community facility for which the local option election is sought and, if the community facility is a community entertainment district, the boundaries of the district.

(B) Upon the request of a petitioner, a board of elections of a county shall furnish to the petitioner a copy of the instructions prepared by the secretary of state under division (P) of section 3501.05 of the Revised Code and, within fifteen days after the request, a certificate indicating the number of valid signatures that will be required on a petition to hold an election in the municipal corporation or unincorporated area of the township in which the community facility is located on the question specified in section 4301.356 of the Revised Code.

The petitioner shall, not less than thirty days before the petition-filing deadline for an election on the question specified in section 4301.356 of the

Revised Code, specify to the division of liquor control the name and address of the community facility for which the election is sought and, if the community facility is a community entertainment district, the boundaries of the district, the municipal corporation or unincorporated area of a township in which the election is sought, and the filing deadline. The division shall, within a reasonable period of time and not later than ten days before the filing deadline, supply the petitioner with the name and address of any permit holder for or within the community facility.

The petitioner shall file the name and address of any permit holder who would be affected by the election at the time the petitioner files the petition with the board of elections. Within five days after receiving the petition, the board shall give notice by certified mail to any permit holder within the community facility that it has received the petition. Failure of the petitioner to supply the name and address of any permit holder for or within the community facility as furnished to the petitioner by the division invalidates the petition.

(C) Not later than the sixty-eighth day before the day of the next general or primary election, whichever occurs first, the board shall examine and determine the sufficiency of the signatures on the petition. If the board finds that the petition is valid, it shall order the holding of an election in the municipal corporation or unincorporated area of a township on the day of the next general or primary election, whichever occurs first, for the submission of the question set forth in section 4301.356 of the Revised Code.

(D) A petition filed with a board of elections under this section shall be open to public inspection under rules adopted by the board.

(E) An elector who is eligible to vote on the question set forth in section 4301.356 of the Revised Code or any permit holder for or within the community facility may, not later than four p.m. of the sixty-fourth day before the day of the election at which the question will be submitted to the electors, file a written protest against the local option petition with the board of elections with which the petition was filed. Upon the filing of the protest, the board shall promptly fix a time and place for hearing the protest and shall mail notice of the time and place to the person who filed the petition and to the person who filed the protest. At the time and place fixed, the board shall hear the protest and determine the validity of the petition.

Sec. 4301.351. (A) If a petition is for submission of the question of whether the sale of intoxicating liquor shall be permitted on Sunday, a special election shall be held in the precinct at the time fixed as provided in section 4301.33 of the Revised Code. The expenses of holding the election shall be charged to the municipal corporation or township of which the precinct is a part.

(B) At the election, one or more of the following questions, question (B)(1), (B)(2), or (B)(3) as designated in a valid petition or question (B)(4) as submitted by the legislative authority of a municipal corporation or the board of trustees of a township, shall be submitted to the electors of the precinct:

(1) "Shall the sale of intoxicating liquor, of the same types as may be legally sold in this precinct on other days of the week, be permitted in this ..... for consumption on the premises where sold, between the hours of ~~one p.m.~~ eleven a.m. and midnight on Sunday?"

(2) "Shall the sale of intoxicating liquor, of the same types as may be legally sold in this precinct on other days of the week, be permitted in this ..... for consumption on the premises where sold, between the hours of ~~one p.m.~~ eleven a.m. and midnight on Sunday, at licensed premises where the sale of food and other goods and services exceeds fifty per cent of the total gross receipts of the permit holder at the premises?"

(3) "Shall the sale of wine and mixed beverages, of the same types as may be legally sold in this precinct on other days of the week, be permitted in this ..... for consumption off the premises where sold, between the hours of ~~one p.m.~~ eleven a.m. and midnight on Sunday?"

(4) "Shall the sale of intoxicating liquor, of the same types as may be legally sold in this precinct on other days of the week, be permitted in this ..... for consumption on the premises where sold, between the hours of one p.m. and midnight on Sunday, at outdoor performing arts centers, as defined in section 4303.182 of the Revised Code, that have been issued a D-6 permit?"

Question (B)(4) shall be presented to the electors of a precinct in which an outdoor performing arts center is located only if the legislative authority of the municipal corporation in which, or the board of trustees of the township in which, the outdoor performing arts center is located submits, not later than four p.m. of the seventy-fifth day before the day of a primary or general election that occurs within two years after ~~the effective date of this amendment~~ April 9, 2001, to the board of elections of the county in which the precinct is located, a copy of an ordinance or resolution requesting the submission of that question to the electors of the precinct. An election on question (B)(4) may not be sought by a petition under section 4301.33 of the Revised Code.

(C) At the election, one or more of the following questions, as designated in a valid petition, shall be submitted to the electors of the precinct:

(1) "Shall the sale of intoxicating liquor, of the same types as may be legally sold in this precinct on other days of the week, be permitted in this ..... for consumption on the premises where sold, between the hours of ten a.m. and midnight on Sunday?"

(2) "Shall the sale of intoxicating liquor, of the same types as may be legally sold in this precinct on other days of the week, be permitted in this ..... for consumption on the premises where sold, between the hours of ten a.m. and midnight on Sunday, at licensed premises where the sale of food and other goods and services exceeds fifty per cent of the total gross receipts of the permit holder at the premises?"

(3) "Shall the sale of wine and mixed beverages, of the same types as

may be legally sold in this precinct on other days of the week, be permitted in this ..... for consumption off the premises where sold, between the hours of ten a.m. and midnight on Sunday?"

(D) No C or D permit holder who first applied for such a permit after April 15, 1982, shall sell beer on Sunday unless the sale of intoxicating liquor is authorized in the precinct or portion of the precinct at an election on question (B)(1), (B)(2), or (B)(3) of this section, on question (C)(1), (C)(2), or (C)(3) of this section, on question (B)(1), (B)(2), or (B)(3) of section 4301.354 of the Revised Code, on question (C)(1), (C)(2), or (C)(3) of section 4301.354 of the Revised Code, or on question (B)(2) of section 4301.355 of the Revised Code. No D-6 permit is required for the sale of beer on Sunday.

The board of elections to which the petition is presented shall furnish printed ballots at the election in accordance with section 3505.06 of the Revised Code, and separate ballots shall be used for the special election under this section. One or more of the questions prescribed by divisions (B) and (C) of this section, as designated in the petition, shall be set forth on each ballot, and the board shall insert in each question the name or an accurate description of the precinct in which the election is to be held. Votes shall be cast as provided in section 3505.06 of the Revised Code.

Sec. 4301.354. (A) If a petition is filed under section 4301.332 of the Revised Code for the submission of one or more questions set forth in this section, a special election shall be held in the precinct as ordered by the board of elections under that section. The expense of holding the special election shall be charged to the municipal corporation or township of which the precinct is a part.

(B) At the election, one or more of the following questions, as designated in a valid petition, shall be submitted to the electors of the precinct concerning Sunday sales:

(1) "Shall the sale of intoxicating liquor be permitted in a portion of this precinct between the hours of ~~one p.m.~~ eleven a.m. and midnight on Sunday for consumption on the premises where sold, where the status of such Sunday sales as allowed or prohibited is inconsistent with the status of such Sunday sales in the remainder of the precinct?"

(2) "Shall the sale of intoxicating liquor be permitted in a portion of this precinct between the hours of ~~one p.m.~~ eleven a.m. and midnight on Sunday for consumption on the premises where sold at licensed premises where the sale of food and other goods exceeds fifty per cent of the total gross receipts of the permit holder at the premises, where the status of such Sunday sales as allowed or prohibited is inconsistent with the status of such Sunday sales in the remainder of the precinct?"

(3) "Shall the sale of wine and mixed beverages be permitted in a portion of this precinct between the hours of ~~one p.m.~~ eleven a.m. and midnight on Sunday for consumption off the premises where sold, where the status of such Sunday sales as allowed or prohibited is inconsistent with the status of such

Sunday sales in the remainder of the precinct?"

(C) At the election, one or more of the following questions, as designated in a valid petition, shall be submitted to the electors of the precinct concerning Sunday sales:

(1) "Shall the sale of intoxicating liquor be permitted in a portion of this precinct between the hours of ten a.m. and midnight on Sunday for consumption on the premises where sold, where the status of such Sunday sales as allowed or prohibited is inconsistent with the status of such Sunday sales in the remainder of the precinct?"

(2) "Shall the sale of intoxicating liquor be permitted in a portion of this precinct between the hours of ten a.m. and midnight on Sunday for consumption on the premises where sold at licensed premises where the sale of food and other goods exceeds fifty per cent of the total gross receipts of the permit holder at the premises, where the status of such Sunday sales as allowed or prohibited is inconsistent with the status of such Sunday sales in the remainder of the precinct?"

(3) "Shall the sale of wine and mixed beverages be permitted in a portion of this precinct between the hours of ten a.m. and midnight on Sunday for consumption off the premises where sold, where the status of such Sunday sales as allowed or prohibited is inconsistent with the status of such Sunday sales in the remainder of the precinct?"

(D) The board of elections shall furnish printed ballots at the special election as provided under section 3505.06 of the Revised Code, except that a separate ballot shall be used for the special election. The one or more questions set forth in divisions (B) and (C) of this section shall be printed on each ballot, and the board shall insert in the ~~question and statement~~ questions appropriate words to complete each and a description of the portion of the precinct that would be affected by the results of the election.

The description of the portion of the precinct shall include either the complete listing of street addresses in that portion or a condensed text that accurately describes the boundaries of the portion of the precinct by street name or by another name generally known by the residents of the portion of the precinct. If other than a full street listing is used, the full street listing also shall be posted in each polling place in a location that is easily accessible to all voters. Failure of the board of elections to completely and accurately list all street addresses in the affected area of the precinct does not affect the validity of the election at which the failure occurred and is not grounds for contesting an election under section 3515.08 of the Revised Code. Votes shall be cast as provided under section 3505.06 of the Revised Code.

Sec. 4301.355. (A) If a petition is filed under section 4301.333 of the Revised Code for the submission of the question or questions set forth in this section, it shall be held in the precinct as ordered by the board of elections under that section. The expense of holding the election shall be charged to the

municipal corporation or township of which the precinct is a part.

(B) At the election, one or more of the following questions, as designated in a valid petition, shall be submitted to the electors of the precinct:

(1) "Shall the sale of ..... (insert beer, wine and mixed beverages, or spirituous liquor) be permitted by ..... (insert name of applicant, liquor permit holder, or liquor agency store, including trade or fictitious name under which applicant for, or holder of, liquor permit or liquor agency store either intends to do, or does, business at the particular location), an ..... (insert "applicant for" or "holder of" or "operator of") a ..... (insert class name of liquor permit or permits followed by the words "liquor permit(s)" or, if appropriate, the words "liquor agency store for the State of Ohio"), who is engaged in the business of ..... (insert general nature of the business in which applicant or liquor permit holder is engaged or will be engaged in at the particular location, as described in the petition) at ..... (insert address of the particular location within the precinct as set forth in the petition) in this precinct?"

(2) "Shall the sale of ..... (insert beer, wine and mixed beverages, or spirituous liquor) be permitted for sale on Sunday between the hours of ..... (insert "ten a.m. and midnight" or " ~~one p.m.~~ eleven a.m. and midnight") by ..... (insert name of applicant, liquor permit holder, or liquor agency store, including trade or fictitious name under which applicant for, or holder of, liquor permit or liquor agency store either intends to do, or does, business at the particular location), an ..... (insert "applicant for a D-6 liquor permit," "holder of a D-6 liquor permit," "applicant for or holder of an A-1-A, A-2, A-3a, C-1, C-2x, D-1, D-2x, D-3, D-3x, D-4, D-5, D-5b, D-5c, D-5e, D-5f, D-5g, D-5h, D-5i, D-5j, D-5k, D-5l, D-5m, or D-7 liquor permit," if only the approval of beer sales is sought, or "liquor agency store") who is engaged in the business of ..... (insert general nature of the business in which applicant or liquor permit holder is engaged or will be engaged in at the particular location, as described in the petition) at ..... (insert address of the particular location within the precinct) in this precinct?"

(C) The board of elections shall furnish printed ballots at the election as provided under section 3505.06 of the Revised Code, except that a separate ballot shall be used for the election under this section. The question set forth in this section shall be printed on each ballot, and the board shall insert in the question appropriate words to complete it. Votes shall be cast as provided under section 3505.06 of the Revised Code.

Sec. 4301.356. If a petition is filed under section 4301.334 of the Revised Code for the submission of the question set forth in this section, an election shall be held in the municipal corporation or unincorporated area of a township as ordered by the board of elections under that section.

Except as otherwise provided in this section, if the legislative authority of a municipal corporation in whose territory, or the board of township trustees of a township in whose unincorporated area, a community facility is located submits, not later than four p.m. of the seventy-fifth day before the day of a primary or

general election, to the board of elections of the county in which the community facility is located an ordinance or resolution requesting the submission of the question set forth in this section to the electors of the municipal corporation or unincorporated area of the township, the board of elections shall order that an election be held on that question in the municipal corporation or the unincorporated area of the township on the day of the next primary or general election, whichever occurs first. The legislative authority or board of township trustees shall submit the name and address of any permit holder who would be affected by the results of the election to the board of elections at the same time it submits the ordinance or resolution. The board of elections, within five days after receiving the name and address, shall give notice by certified mail to each permit holder that it has received the ordinance or resolution. Failure of the legislative authority or board of township trustees to supply the name and address of each permit holder to the board of elections invalidates the effect of the ordinance or resolution.

At the election , the following question shall be submitted to the electors of the municipal corporation or unincorporated area of a township:

"Shall the sale of beer and intoxicating liquor be permitted on days of the week other than Sunday and between the hours of ~~one p.m.~~ ..... (insert "ten a.m." or "eleven a.m.") and midnight on Sunday, at ..... (insert name of community facility), a community facility as defined by section 4301.01 of the Revised Code, and located at ..... (insert the address of the community facility and, if the community facility is a community entertainment district, the boundaries of the district, as set forth in the petition)?"

The board of elections shall furnish printed ballots at the election as provided under section 3505.06 of the Revised Code, except that a separate ballot shall be used for the election under this section. The question set forth in this section shall be printed on each ballot , and the board shall insert in the question appropriate words to complete ~~each~~ it, subject to the approval of the secretary of state. Votes shall be cast as provided under section 3505.06 of the Revised Code.

Sec. 4301.361. (A) If a majority of the electors voting on questions set forth in section 4301.351 of the Revised Code in a precinct vote "yes" on question (B)(1) or (C)(1), or, if both questions (B)(1) and (B)(2), or questions (C)(1) and (C)(2), are submitted, "yes" on both questions or "yes" on question (B)(1) or (C)(1) but "no" on question (B)(2) or (C)(2), sales of intoxicating liquor shall be allowed on Sunday in the manner and under the conditions specified in question (B)(1) or (C)(1), under a D-6 permit, within the precinct concerned, during the hours specified in division (A) of section 4303.182 of the Revised Code and during the period the election is in effect as defined in section 4301.37 of the Revised Code.

(B) If only question (B)(2) or (C)(2) is submitted to the voters or if questions (B)(2) and (B)(3) or (C)(2) and (C)(3) are submitted and a majority of the electors voting in a precinct vote "yes" on question (B)(2) or (C)(2) as set

forth in section 4301.351 of the Revised Code, sales of intoxicating liquor shall be allowed on Sunday in the manner and under the conditions specified in question (B)(2) or (C)(2), under a D-6 permit, within the precinct concerned, during the hours specified in division (A) of section 4303.182 of the Revised Code and during the period the election is in effect as defined in section 4301.37 of the Revised Code, even if question (B)(1) or (C)(1) was also submitted and a majority of the electors voting in the precinct voted "no."

(C) If question (B)(3) or (C)(3) is submitted and a majority of electors voting on question (B)(3) or (C)(3) as set forth in section 4301.351 of the Revised Code in a precinct vote "yes," sales of wine and mixed beverages shall be allowed on Sunday in the manner and under the conditions specified in question (B)(3) or (C)(3), under a D-6 permit, within the precinct concerned, during the hours specified in division (A) of section 4303.182 of the Revised Code and during the period the election is in effect as defined in section 4301.37 of the Revised Code.

(D) If questions (B)(1), (B)(2), and (B)(3), or questions (C)(1), (C)(2), and (C)(3), as set forth in section 4301.351 of the Revised Code, are all submitted and a majority of the electors voting in such precinct vote "no" on all three questions, no sales of intoxicating liquor shall be made within the precinct concerned after two-thirty a.m. on Sunday as specified in the questions submitted, during the period the election is in effect as defined in section 4301.37 of the Revised Code.

(E) If question (C)(1) as set forth in section 4301.351 of the Revised Code is submitted to the voters in a precinct in which question (B)(1) as set forth in that section previously was submitted and approved, and the results of the election on question (B)(1) are still in effect in the precinct; or if question (C)(2) as set forth in that section is submitted to the voters in a precinct in which question (B)(2) as set forth in that section previously was submitted and approved, and the results of the election on question (B)(2) are still in effect in the precinct; or if question (C)(3) as set forth in that section is submitted to the voters in a precinct in which question (B)(3) as set forth in that section previously was submitted and approved, and the results of the election on question (B)(3) are still in effect in the precinct; and if a majority of the electors voting on question (C)(1), (C)(2), or (C)(3) vote "no," then sales shall continue to be allowed in the precinct in the manner and under the conditions specified in the previously approved question (B)(1), (B)(2), or (B)(3), as applicable.

(F) If question (B)(4) as set forth in section 4301.351 of the Revised Code is submitted and a majority of the electors voting in the precinct vote "yes," sales of intoxicating liquor shall be allowed on Sunday at outdoor performing arts centers in the manner and under the conditions specified in question (B)(4) under a D-6 permit, within the precinct concerned, during the hours specified in division (F) of section 4303.182 of the Revised Code and during the period the election is in effect as defined in section 4301.37 of the Revised Code. If question (B)(4) as set forth in section 4301.351 of the Revised

Code is submitted and a majority of the electors voting in the precinct vote "no," no sales of intoxicating liquor shall be allowed at outdoor performing arts centers in the precinct concerned under a D-6 permit, after 2:30 a.m. on Sunday, during the period the election is in effect as defined in section 4301.37 of the Revised Code.

Sec. 4301.364. (A) If a majority of the electors in a precinct vote "yes" on question (B)(1) or (C)(1) as set forth in section 4301.354 of the Revised Code, the sale of intoxicating liquor, of the same types as may be legally sold in the precinct on other days of the week, shall be permitted on Sunday in the portion of the precinct affected by the results of the election during the hours specified in division (A) of section 4303.182 of the Revised Code and in the manner and under the conditions specified in the question, subject only to this chapter and Chapter 4303. of the Revised Code.

(B) If a majority of the electors in a precinct vote "yes" on question (B)(2) or (C)(2) as set forth in section 4301.354 of the Revised Code, the sale of intoxicating liquor, of the same types as may be legally sold in the precinct on other days of the week, shall be permitted on Sunday in the portion of the precinct affected by the results of the election during the hours specified in division (A) of section 4303.182 of the Revised Code and in the manner and under the conditions specified in the question, subject only to this chapter and Chapter 4303. of the Revised Code.

(C) If a majority of the electors in a precinct vote "yes" on question (B)(3) or (C)(3) as set forth in section 4301.354 of the Revised Code, the sale of wine and mixed beverages shall be permitted on Sunday in the portion of the precinct affected by the results of the election during the hours specified in division (A) of section 4303.182 of the Revised Code and in the manner and under the conditions specified in the question, subject only to this chapter and Chapter 4303. of the Revised Code.

(D) If a majority of the electors in a precinct vote "no" on question (B)(1) or (C)(1) as set forth in section 4301.354 of the Revised Code, no sale of intoxicating liquor shall be permitted on Sunday in the manner and under the conditions specified in the question in the portion of the precinct affected by the results of the election.

(E) If a majority of the electors in a precinct vote "no" on question (B)(2) or (C)(2) as set forth in section 4301.354 of the Revised Code, no sale of intoxicating liquor shall be permitted on Sunday in the manner and under the conditions specified in the question in the portion of the precinct affected by the results of the election.

(F) If a majority of the electors in a precinct vote "no" on question (B)(3) or (C)(3) as set forth in section 4301.354 of the Revised Code, no sale of wine or mixed beverages shall be permitted on Sunday in the manner and under the conditions specified in the question in the portion of the precinct affected by the results of the election.

(G) If question (C)(1) as set forth in section 4301.354 of the Revised Code is submitted to the voters in a precinct in which question (B)(1) as set forth in that section previously was submitted and approved, and the results of the election on question (B)(1) are still in effect in the precinct; or if question (C)(2) as set forth in that section is submitted to the voters in a precinct in which question (B)(2) as set forth in that section previously was submitted and approved, and the results of the election on question (B)(2) are still in effect in the precinct; or if question (C)(3) as set forth in that section is submitted to the voters in a precinct in which question (B)(3) as set forth in that section previously was submitted and approved, and the results of the election on question (B)(3) are still in effect in the precinct; and if a majority of the electors voting on question (C)(1), (C)(2), or (C)(3) vote "no," then sales shall continue to be allowed in the precinct in the manner and under the conditions specified in the previously approved question (B)(1), (B)(2), or (B)(3), as applicable.

Sec. 4301.365. (A) If a majority of the electors in a precinct vote "yes" on questions (B)(1) and (2) as set forth in section 4301.355 of the Revised Code, the sale of beer, wine and mixed beverages, or spirituous liquor, whichever was the subject of the election, shall be allowed at the particular location and for the use ~~, and during the hours on Sunday,~~ specified in the questions under each permit applied for by the petitioner or at the address listed for the liquor agency store, and, in relation to question (B)(2), during the hours on Sunday specified in division (A) of section 4303.182 of the Revised Code, subject only to this chapter and Chapter 4303. of the Revised Code. Failure to continue to use the particular location for any proposed or stated use set forth in the petition is grounds for the denial of a renewal of the liquor permit under division (A) of section 4303.271 of the Revised Code or is grounds for the nonrenewal or cancellation of the liquor agency store contract by the division of liquor control, except in the case where the liquor permit holder or liquor agency store decides to cease the sale of beer, wine and mixed beverages, or spirituous liquor, whichever was the subject of the election, on Sundays.

(B) Except as otherwise provided in division (H) of this section, if a majority of the electors in a precinct vote "yes" on question (B)(1) and "no" on question (B)(2) as set forth in section 4301.355 of the Revised Code, the sale of beer, wine and mixed beverages, or spirituous liquor, whichever was the subject of the election, shall be allowed at the particular location for the use specified in question (B)(1) of section 4301.355 of the Revised Code and under each permit applied for by the petitioner, except for a D-6 permit, subject only to this chapter and Chapter 4303. of the Revised Code.

(C) If a majority of the electors in a precinct vote "no" on question (B)(1) as set forth in section 4301.355 of the Revised Code, no sales of beer, wine and mixed beverages, or spirituous liquor, whichever was the subject of the election, shall be allowed at the particular location for the use specified in the petition during the period the election is in effect as defined in section 4301.37 of the Revised Code.

(D) If a majority of the electors in a precinct vote only on question (B)(2) as set forth in section 4301.355 of the Revised Code and that vote results in a majority "yes" vote, sales of beer, wine and mixed beverages, or spirituous liquor, whichever was the subject of the election, shall be allowed at the particular location for the use ~~and during the hours~~ specified in the petition on Sunday during the hours specified in division (A) of section 4303.182 of the Revised Code and during the period the election is in effect as defined in section 4301.37 of the Revised Code.

(E) Except as otherwise provided in division (H) of this section, if a majority of the electors in a precinct vote only on question (B)(2) as set forth in section 4301.355 of the Revised Code and that vote results in a majority "no" vote, no sales of beer, wine and mixed beverages, or spirituous liquor, whichever was the subject of the election, shall be allowed at the particular location for the use and during the hours specified in the petition on Sunday during the period the election is in effect as defined in section 4301.37 of the Revised Code.

(F) In case of elections in the same precinct for the question or questions set forth in section 4301.355 of the Revised Code and for a question or questions set forth in section 4301.35, 4301.351, 4301.353, 4301.354, 4303.29, or 4305.14 of the Revised Code, the results of the election held on the question or questions set forth in section 4301.355 of the Revised Code shall apply to the particular location notwithstanding the results of the election held on the question or questions set forth in section 4301.35, 4301.351, 4301.353, 4301.354, 4303.29, or 4305.14 of the Revised Code.

(G) Sections 4301.32 to 4301.41 of the Revised Code do not prohibit the transfer of ownership of a permit that was issued to a particular location as the result of an election held on sales of beer, wine and mixed beverages, spirituous liquor, or intoxicating liquor at that particular location as long as the general nature of the business at that particular location described in the petition for that election remains the same after the transfer.

(H) If question (B)(2) as set forth in section 4301.355 of the Revised Code is submitted to the electors of a precinct proposing to authorize the sale of beer, wine and mixed beverages, or spirituous liquor between the hours of ten a.m. and midnight at a particular location at which the sale of beer, wine and mixed beverages, spirituous liquor, or intoxicating liquor is already allowed between the hours of eleven a.m. and midnight or one p.m. and midnight and the question submitted is defeated, the sale of beer, wine and mixed beverages, spirituous liquor, or intoxicating liquor between the hours of eleven a.m. and midnight or one p.m. and midnight , as applicable, shall continue at that particular location.

Sec. 4301.366. If a majority of the electors voting on the question specified in section 4301.356 of the Revised Code vote "yes," the sale of beer and intoxicating liquor shall be allowed at the community facility ~~and~~ on days of the week other than Sunday and during the hours on Sunday specified in division (A) of section 4303.182 of the Revised Code, for the use specified in the

question, subject only to this chapter and Chapter 4303. of the Revised Code. Failure to continue to use the location as a community facility constitutes good cause for rejection of the renewal of the liquor permit under division (A) of section 4303.271 of the Revised Code.

If a majority of the electors voting on the question specified in section 4301.356 of the Revised Code vote "no," no sales of beer or intoxicating liquor shall be made at or within the community facility during the period the election is in effect as defined in section 4301.37 of the Revised Code."

In line 62281, strike through the first "between" and insert " as follows:

(1) Between"; strike through ", or between" and insert " on Sunday if sale during those hours has been approved under question (C)(1), (2), or (3) of section 4301.351 or 4301.354 of the Revised Code, under question (B)(2) of section 4301.355 of the Revised Code, or under section 4301.356 of the Revised Code and has been authorized under section 4301.361, 4301.364, 4301.365, or 4301.366 of the Revised Code, under the restrictions of that authorization;

(2) Between"

In line 62282, strike through "one p.m." and insert " eleven a.m."; strike through the first comma; strike through ", as applicable,"; strike through "that"; after "sale" insert " during those hours has been approved on or after the effective date of this amendment under question (B)(1), (2), or (3) of section 4301.351 or 4301.354 of the Revised Code, under question (B)(2) of section 4301.355 of the Revised Code, or under section 4301.356 of the Revised Code and"

In line 62284, strike through "and" and insert an underlined comma

In line 62285, after "authorization" insert " ;

(3) Between the hours of eleven a.m. and midnight on Sunday if sale between the hours of one p.m. and midnight was approved before the effective date of this amendment under question (B)(1), (2), or (3) of section 4301.351 or 4301.354 of the Revised Code, under question (B)(2) of section 4301.355 of the Revised Code, or under section 4301.356 of the Revised Code and has been authorized under section 4301.361, 4301.364, 4301.365, or 4301.366 of the Revised Code, under the other restrictions of that authorization"

In line 90878, after "4141.162," insert "4301.333, 4301.334, 4301.351, 4301.354, 4301.355, 4301.356, 4301.361, 4301.364, 4301.365, 4301.366,"

Between lines 105475 and 105476, insert:

"**Section 743.___.** If a petition seeks the holding of an election on Sunday liquor sales on or after the effective date of this section under question (B)(1), (2), or (3) of section 4301.351 or 4301.354 of the Revised Code, under question (B)(2) of section 4301.355 of the Revised Code, or under section 4301.356 of the Revised Code and the petition contains signatures that were placed on it before the effective date of this section, the petition is not invalid merely because

the question or questions sought to be submitted to the electors and contained in the petition state that Sunday liquor sales may commence beginning at 1 p.m. rather than 11 a.m.

Section 743.___. (A) Notwithstanding division (A)(3) of section 4303.182 of the Revised Code, as amended by this act, the electors in a precinct in which the first hour of sale on Sunday was changed from one p.m. to eleven a.m. by operation of that division may petition to hold an election to revert that first hour of sale to one p.m. That election shall be held under the following conditions:

(1) At the first general election that occurs after the effective date of this section unless that general election will be held less than one hundred thirty-five days after that date, in which case the election shall be held at the immediately following general election;

(2) Under division (B)(1), (2), or (3) of section 4301.351 or 4301.354 of the Revised Code, under division (B)(2) of section 4301.355 of the Revised Code, or under section 4301.356 of the Revised Code, as applicable, except that the starting time for sales under the question shall be one p.m. rather than eleven a.m.;

(3) In accordance with the applicable requirements and provisions governing elections that are held under those divisions or that section and that are established under Chapter 4301. of the Revised Code.

(B) Not later than forty-five days after the effective date of this section, the Superintendent of Liquor Control shall publish notice of the provisions of division (A) of this section in a newspaper of general circulation in each county of the state."

Between lines 106644 and 106645, insert:

"Section 4301.355 of the Revised Code as amended by Am. Sub. H.B. 562 and Sub. S.B. 150, both of the 127th General Assembly."

In line 114 of the title, after "4141.162," insert "4301.333, 4301.334, 4301.351, 4301.354, 4301.355, 4301.356, 4301.361, 4301.364, 4301.365, 4301.366,"

In line 304, after "126.05," insert "126.21,"

Between lines 12394 and 12395, insert:

"**Sec. 126.21.** (A) The director of budget and management shall do all of the following:

(1) Keep all necessary accounting records;

(2) Prescribe and maintain the accounting system of the state and establish appropriate accounting procedures and charts of accounts;

(3) Establish procedures for the use of written, electronic, optical, or other communications media for approving and reviewing payment vouchers;

(4) Reconcile, in the case of any variation between the amount of any appropriation and the aggregate amount of items of the appropriation, with the advice and assistance of the state agency affected by it and the legislative service commission, totals so as to correspond in the aggregate with the total appropriation. In the case of a conflict between the item and the total of which it is a part, the item shall be considered the intended appropriation.

(5) Evaluate on an ongoing basis and, if necessary, recommend improvements to the internal controls used in state agencies;

(6) Authorize the establishment of petty cash accounts. The director may withdraw approval for any petty cash account and require the officer in charge to return to the state treasury any unexpended balance shown by the officer's accounts to be on hand. Any officer who is issued a warrant for petty cash shall render a detailed account of the expenditures of the petty cash and shall report when requested the balance of petty cash on hand at any time.

(7) Process orders, invoices, vouchers, claims, and payrolls and prepare financial reports and statements;

(8) Perform extensions, reviews, and compliance checks prior to or after approving a payment as the director considers necessary;

(9) Issue the official comprehensive annual financial report of the state. The report shall cover all funds of the state reporting entity and shall include basic financial statements and required supplementary information prepared in accordance with generally accepted accounting principles and other information as the director provides. All state agencies, authorities, institutions, offices, retirement systems, and other component units of the state reporting entity as determined by the director shall furnish the director whatever financial statements and other information the director requests for the report, in the form, at the times, covering the periods, and with the attestation the director prescribes. The information for state institutions of higher education, as defined in section 3345.011 of the Revised Code, shall be submitted to the chancellor by the Ohio board of regents. The board shall establish a due date by which each such institution shall submit the information to the board, but no such date shall be later than one hundred twenty days after the end of the state fiscal year unless a later date is approved by the director.

(B) In addition to the director's duties under division (A) of this section, the director may establish and administer one or more state payment card programs that permit or require state agencies to use a payment card to purchase equipment, materials, supplies, or services in accordance with guidelines issued by the director. The chief administrative officer of a state agency that uses a payment card for such purposes shall ensure that purchases made with the card are made in accordance with the guidelines issued by the director and do not exceed the unexpended, unencumbered, unobligated balance in the appropriation to be charged for the purchase. State agencies may participate in only those state payment card programs that the director establishes pursuant to this section.

(C) In addition to the director's duties under divisions (A) and (B) of this section, the director may enter into any contract or agreement necessary for and incidental to the performance of the director's duties or the duties of the office of budget and management .

(D) In consultation with the director of administrative services, the director may appoint and fix the compensation of employees of the office of budget and management whose primary duties include the consolidation of statewide financing functions and common transactional processes."

In line 90806, after "126.05," insert "126.21,"

In line 15 of the title, after "126.05," insert "126.21,"

Between lines 92542 and 92543, insert:

"SHARED SERVICES CENTER

The Director of Budget and Management shall use the OAKS Project Implementation Fund (Fund 5N40) and the Accounting and Budgeting Fund (Fund 1050) to implement a Shared Services Center within the Office of Budget and Management for the purpose of consolidating statewide finance functions and common transactional processes. The Director of Budget and Management shall transfer the unobligated cash balance remaining in Fund 5N40 to the General Revenue Fund before the end of fiscal year 2011.

Effective July 1, 2009, the Director of Budget and Management shall include the recovery of costs to operate the Shared Services Center in the accounting and budgeting services payroll rate and through a direct charge using intrastate transfer vouchers to agencies for services rendered. The Director of Budget and Management shall determine the cost recovery methodology. Such cost recovery revenues shall be deposited to the credit of Fund 1050."

Delete lines 96817 through 96822

Delete lines 105372 through 105397

Delete lines 105871 through 105877

In line 105221, after "trucks" insert "that are"; after "state" insert "and are used by the Department of Natural Resources, five per cent of such vehicles that are used by the Department of Public Safety, and five per cent of such vehicles that are used by the Department of Transportation"

In line 105225, after "vehicles" insert "that are"; after "section" insert "and are used by the Department of Natural Resources, an additional five per cent of such vehicles that are used by the Department of Public Safety, and an additional five per cent of such vehicles that are used by the Department of Transportation"

In line 105234, after "of" insert "the"

Delete lines 105615 through 105735

Delete lines 106235 through 106254

In line 414, after "5739.033," insert "5739.09,"

In line 84529, after "structures" insert " , except as otherwise provided in division (G) of section 5739.09 of the Revised Code"

Between lines 86388 and 86389, insert:

"**Sec. 5739.09.** (A)(1) A board of county commissioners may, by resolution adopted by a majority of the members of the board, levy an excise tax not to exceed three per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. The board shall establish all regulations necessary to provide for the administration and allocation of the tax. The regulations may prescribe the time for payment of the tax, and may provide for the imposition of a penalty or interest, or both, for late payments, provided that the penalty does not exceed ten per cent of the amount of tax due, and the rate at which interest accrues does not exceed the rate per annum prescribed pursuant to section 5703.47 of the Revised Code. Except as provided in divisions (A)(2), (3), (4), (5), (6), and (7) of this section, the regulations shall provide, after deducting the real and actual costs of administering the tax, for the return to each municipal corporation or township that does not levy an excise tax on the transactions, a uniform percentage of the tax collected in the municipal corporation or in the unincorporated portion of the township from each transaction, not to exceed thirty-three and one-third per cent. The remainder of the revenue arising from the tax shall be deposited in a separate fund and shall be spent solely to make contributions to the convention and visitors' bureau operating within the county, including a pledge and contribution of any portion of the remainder pursuant to an agreement authorized by section 307.695 of the Revised Code, provided that if the board of county commissioners of an eligible county as defined in section 307.695 of the Revised Code adopts a resolution amending a resolution levying a tax under this division to provide that the revenue from the tax shall be used by the board as described in division (H) of section 307.695 of the Revised Code, the remainder of the revenue shall be used as described in the resolution making that amendment. Except as provided in division (A)(2), (3), (4), (5), (6), or (7) or (H) of this section, on and after May 10, 1994, a board of county commissioners may not levy an excise tax pursuant to this division in any municipal corporation or township located wholly or partly within the county that has in effect an ordinance or resolution levying an excise tax pursuant to division (B) of this section. The board of a county that has levied a tax under division (C) of this section may, by resolution adopted within ninety days after July 15, 1985, by a majority of the members of the board, amend the resolution levying a tax under this division to provide for a portion of that tax to be pledged and contributed in accordance with an agreement entered into under section 307.695 of the Revised Code. A tax, any revenue from which is pledged pursuant to such an agreement, shall remain in effect at the rate at which it is imposed for the duration of the period for which the revenue from the tax has been so pledged.

The board of county commissioners of an eligible county as defined in

section 307.695 of the Revised Code may, by resolution adopted by a majority of the members of the board, amend a resolution levying a tax under this division to provide that the revenue from the tax shall be used by the board as described in division (H) of section 307.695 of the Revised Code, in which case the tax shall remain in effect at the rate at which it was imposed for the duration of any agreement entered into by the board under section 307.695 of the Revised Code, the duration during which any securities issued by the board under that section are outstanding, or the duration of the period during which the board owns a project as defined in section 307.695 of the Revised Code, whichever duration is longest.

(2) A board of county commissioners that levies an excise tax under division (A)(1) of this section on June 30, 1997, at a rate of three per cent, and that has pledged revenue from the tax to an agreement entered into under section 307.695 of the Revised Code or, in the case of the board of county commissioners of an eligible county as defined in section 307.695 of the Revised Code, has amended a resolution levying a tax under division (C) of this section to provide that proceeds from the tax shall be used by the board as described in division (H) of section 307.695 of the Revised Code, may, at any time by a resolution adopted by a majority of the members of the board, amend the resolution levying a tax under division (A)(1) of this section to provide for an increase in the rate of that tax up to seven per cent on each transaction; to provide that revenue from the increase in the rate shall be used as described in division (H) of section 307.695 of the Revised Code or be spent solely to make contributions to the convention and visitors' bureau operating within the county to be used specifically for promotion, advertising, and marketing of the region in which the county is located; and to provide that the rate in excess of the three per cent levied under division (A)(1) of this section shall remain in effect at the rate at which it is imposed for the duration of the period during which any agreement is in effect that was entered into under section 307.695 of the Revised Code by the board of county commissioners levying a tax under division (A)(1) of this section, the duration of the period during which any securities issued by the board under division (I) of section 307.695 of the Revised Code are outstanding, or the duration of the period during which the board owns a project as defined in section 307.695 of the Revised Code, whichever duration is longest. The amendment also shall provide that no portion of that revenue need be returned to townships or municipal corporations as would otherwise be required under division (A)(1) of this section.

(3) A board of county commissioners that levies a tax under division (A)(1) of this section on March 18, 1999, at a rate of three per cent may, by resolution adopted not later than forty-five days after March 18, 1999, amend the resolution levying the tax to provide for all of the following:

(a) That the rate of the tax shall be increased by not more than an additional four per cent on each transaction;

(b) That all of the revenue from the increase in the rate shall be pledged

and contributed to a convention facilities authority established by the board of county commissioners under Chapter 351. of the Revised Code on or before November 15, 1998, and used to pay costs of constructing, maintaining, operating, and promoting a facility in the county, including paying bonds, or notes issued in anticipation of bonds, as provided by that chapter;

(c) That no portion of the revenue arising from the increase in rate need be returned to municipal corporations or townships as otherwise required under division (A)(1) of this section;

(d) That the increase in rate shall not be subject to diminution by initiative or referendum or by law while any bonds, or notes in anticipation of bonds, issued by the authority under Chapter 351. of the Revised Code to which the revenue is pledged, remain outstanding in accordance with their terms, unless provision is made by law or by the board of county commissioners for an adequate substitute therefor that is satisfactory to the trustee if a trust agreement secures the bonds.

Division (A)(3) of this section does not apply to the board of county commissioners of any county in which a convention center or facility exists or is being constructed on November 15, 1998, or of any county in which a convention facilities authority levies a tax pursuant to section 351.021 of the Revised Code on that date.

As used in division (A)(3) of this section, "cost" and "facility" have the same meanings as in section 351.01 of the Revised Code, and "convention center" has the same meaning as in section 307.695 of the Revised Code.

(4)(a) A board of county commissioners that levies a tax under division (A)(1) of this section on June 30, 2002, at a rate of three per cent may, by resolution adopted not later than September 30, 2002, amend the resolution levying the tax to provide for all of the following:

(i) That the rate of the tax shall be increased by not more than an additional three and one-half per cent on each transaction;

(ii) That all of the revenue from the increase in rate shall be pledged and contributed to a convention facilities authority established by the board of county commissioners under Chapter 351. of the Revised Code on or before May 15, 2002, and be used to pay costs of constructing, expanding, maintaining, operating, or promoting a convention center in the county, including paying bonds, or notes issued in anticipation of bonds, as provided by that chapter;

(iii) That no portion of the revenue arising from the increase in rate need be returned to municipal corporations or townships as otherwise required under division (A)(1) of this section;

(iv) That the increase in rate shall not be subject to diminution by initiative or referendum or by law while any bonds, or notes in anticipation of bonds, issued by the authority under Chapter 351. of the Revised Code to which the revenue is pledged, remain outstanding in accordance with their terms, unless

provision is made by law or by the board of county commissioners for an adequate substitute therefor that is satisfactory to the trustee if a trust agreement secures the bonds.

(b) Any board of county commissioners that, pursuant to division (A)(4)(a) of this section, has amended a resolution levying the tax authorized by division (A)(1) of this section may further amend the resolution to provide that the revenue referred to in division (A)(4)(a)(ii) of this section shall be pledged and contributed both to a convention facilities authority to pay the costs of constructing, expanding, maintaining, or operating one or more convention centers in the county, including paying bonds, or notes issued in anticipation of bonds, as provided in Chapter 351. of the Revised Code, and to a convention and visitors' bureau to pay the costs of promoting one or more convention centers in the county.

As used in division (A)(4) of this section, "cost" has the same meaning as in section 351.01 of the Revised Code, and "convention center" has the same meaning as in section 307.695 of the Revised Code.

(5)(a) As used in division (A)(5) of this section:

(i) "Port authority" means a port authority created under Chapter 4582. of the Revised Code.

(ii) "Port authority military-use facility" means port authority facilities on which or adjacent to which is located an installation of the armed forces of the United States, a reserve component thereof, or the national guard and at least part of which is made available for use, for consideration, by the armed forces of the United States, a reserve component thereof, or the national guard.

(b) For the purpose of contributing revenue to pay operating expenses of a port authority that operates a port authority military-use facility, the board of county commissioners of a county that created, participated in the creation of, or has joined such a port authority may do one or both of the following:

(i) Amend a resolution previously adopted under division (A)(1) of this section to designate some or all of the revenue from the tax levied under the resolution to be used for that purpose, notwithstanding that division;

(ii) Amend a resolution previously adopted under division (A)(1) of this section to increase the rate of the tax by not more than an additional two per cent and use the revenue from the increase exclusively for that purpose.

(c) If a board of county commissioners amends a resolution to increase the rate of a tax as authorized in division (A)(5)(b)(ii) of this section, the board also may amend the resolution to specify that the increase in rate of the tax does not apply to "hotels," as otherwise defined in section 5739.01 of the Revised Code, having fewer rooms used for the accommodation of guests than a number of rooms specified by the board.

(6) A board of county commissioners of a county organized under a

county charter adopted pursuant to Article X, Section 3, Ohio Constitution, and that levies an excise tax under division (A)(1) of this section at a rate of three per cent and levies an additional excise tax under division (E) of this section at a rate of one and one-half per cent may, by resolution adopted not later than January 1, 2008, by a majority of the members of the board, amend the resolution levying a tax under division (A)(1) of this section to provide for an increase in the rate of that tax by not more than an additional one per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. Notwithstanding divisions (A)(1) and (E) of this section, the resolution shall provide that all of the revenue from the increase in rate, after deducting the real and actual costs of administering the tax, shall be used to pay the costs of improving, expanding, equipping, financing, or operating a convention center by a convention and visitors' bureau in the county. The increase in rate shall remain in effect for the period specified in the resolution, not to exceed ten years. The increase in rate shall be subject to the regulations adopted under division (A)(1) of this section, except that the resolution may provide that no portion of the revenue from the increase in the rate shall be returned to townships or municipal corporations as would otherwise be required under that division.

(7) Division (A)(7) of this section applies only to a county with a population greater than sixty-five thousand and less than seventy thousand according to the most recent federal decennial census and in which, on December 31, 2006, an excise tax is levied under division (A)(1) of this section at a rate not less than and not greater than three per cent, and in which the most recent increase in the rate of that tax was enacted or took effect in November 1984.

The board of county commissioners of a county to which this division applies, by resolution adopted by a majority of the members of the board, may increase the rate of the tax by not more than one per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. The increase in rate shall be for the purpose of paying expenses deemed necessary by the convention and visitors' bureau operating in the county to promote travel and tourism. The increase in rate shall remain in effect for the period specified in the resolution, not to exceed twenty years, provided that the increase in rate may not continue beyond the time when the purpose for which the increase is levied ceases to exist. If revenue from the increase in rate is pledged to the payment of debt charges on securities, the increase in rate is not subject to diminution by initiative or referendum or by law for so long as the securities are outstanding, unless provision is made by law or by the board of county commissioners for an adequate substitute for that revenue that is satisfactory to the trustee if a trust agreement secures payment of the debt charges. The increase in rate shall be subject to the regulations adopted under division (A)(1) of this section, except that the resolution may provide that no portion of the revenue from the increase in the rate shall be returned to townships or municipal corporations as would otherwise be required under division (A)(1) of this section. A resolution adopted under division (A)(7) of this section is subject to referendum under sections

305.31 to 305.99 of the Revised Code.

(B)(1) The legislative authority of a municipal corporation or the board of trustees of a township that is not wholly or partly located in a county that has in effect a resolution levying an excise tax pursuant to division (A)(1) of this section may, by ordinance or resolution, levy an excise tax not to exceed three per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. The legislative authority of the municipal corporation or the board of trustees of the township shall deposit at least fifty per cent of the revenue from the tax levied pursuant to this division into a separate fund, which shall be spent solely to make contributions to convention and visitors' bureaus operating within the county in which the municipal corporation or township is wholly or partly located, and the balance of that revenue shall be deposited in the general fund. The municipal corporation or township shall establish all regulations necessary to provide for the administration and allocation of the tax. The regulations may prescribe the time for payment of the tax, and may provide for the imposition of a penalty or interest, or both, for late payments, provided that the penalty does not exceed ten per cent of the amount of tax due, and the rate at which interest accrues does not exceed the rate per annum prescribed pursuant to section 5703.47 of the Revised Code. The levy of a tax under this division is in addition to any tax imposed on the same transaction by a municipal corporation or a township as authorized by division (A) of section 5739.08 of the Revised Code.

(2)(a) The legislative authority of the most populous municipal corporation located wholly or partly in a county in which the board of county commissioners has levied a tax under division (A)(4) of this section may amend, on or before September 30, 2002, that municipal corporation's ordinance or resolution that levies an excise tax on transactions by which lodging by a hotel is or is to be furnished to transient guests, to provide for all of the following:

(i) That the rate of the tax shall be increased by not more than an additional one per cent on each transaction;

(ii) That all of the revenue from the increase in rate shall be pledged and contributed to a convention facilities authority established by the board of county commissioners under Chapter 351. of the Revised Code on or before May 15, 2002, and be used to pay costs of constructing, expanding, maintaining, operating, or promoting a convention center in the county, including paying bonds, or notes issued in anticipation of bonds, as provided by that chapter;

(iii) That the increase in rate shall not be subject to diminution by initiative or referendum or by law while any bonds, or notes in anticipation of bonds, issued by the authority under Chapter 351. of the Revised Code to which the revenue is pledged, remain outstanding in accordance with their terms, unless provision is made by law, by the board of county commissioners, or by the legislative authority, for an adequate substitute therefor that is satisfactory to the trustee if a trust agreement secures the bonds.

(b) The legislative authority of a municipal corporation that, pursuant to division (B)(2)(a) of this section, has amended its ordinance or resolution to increase the rate of the tax authorized by division (B)(1) of this section may further amend the ordinance or resolution to provide that the revenue referred to in division (B)(2)(a)(ii) of this section shall be pledged and contributed both to a convention facilities authority to pay the costs of constructing, expanding, maintaining, or operating one or more convention centers in the county, including paying bonds, or notes issued in anticipation of bonds, as provided in Chapter 351. of the Revised Code, and to a convention and visitors' bureau to pay the costs of promoting one or more convention centers in the county.

As used in division (B)(2) of this section, "cost" has the same meaning as in section 351.01 of the Revised Code, and "convention center" has the same meaning as in section 307.695 of the Revised Code.

(C) For the purposes described in section 307.695 of the Revised Code and to cover the costs of administering the tax, a board of county commissioners of a county where a tax imposed under division (A)(1) of this section is in effect may, by resolution adopted within ninety days after July 15, 1985, by a majority of the members of the board, levy an additional excise tax not to exceed three per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. The tax authorized by this division shall be in addition to any tax that is levied pursuant to division (A) of this section, but it shall not apply to transactions subject to a tax levied by a municipal corporation or township pursuant to the authorization granted by division (A) of section 5739.08 of the Revised Code. The board shall establish all regulations necessary to provide for the administration and allocation of the tax. The regulations may prescribe the time for payment of the tax, and may provide for the imposition of a penalty or interest, or both, for late payments, provided that the penalty does not exceed ten per cent of the amount of tax due, and the rate at which interest accrues does not exceed the rate per annum prescribed pursuant to section 5703.47 of the Revised Code. All revenues arising from the tax shall be expended in accordance with section 307.695 of the Revised Code. The board of county commissioners of an eligible county as defined in section 307.695 of the Revised Code may, by resolution adopted by a majority of the members of the board, amend the resolution levying a tax under this division to provide that the revenue from the tax shall be used by the board as described in division (H) of section 307.695 of the Revised Code. A tax imposed under this division shall remain in effect at the rate at which it is imposed for the duration of the period during which any agreement entered into by the board under section 307.695 of the Revised Code is in effect, the duration of the period during which any securities issued by the board under division (I) of section 307.695 of the Revised Code are outstanding, or the duration of the period during which the board owns a project as defined in section 307.695 of the Revised Code, whichever duration is longest.

(D) For the purpose of providing contributions under division (B)(1) of section 307.671 of the Revised Code to enable the acquisition, construction, and equipping of a port authority educational and cultural facility in the county and,

to the extent provided for in the cooperative agreement authorized by that section, for the purpose of paying debt service charges on bonds, or notes in anticipation of bonds, described in division (B)(1)(b) of that section, a board of county commissioners, by resolution adopted within ninety days after December 22, 1992, by a majority of the members of the board, may levy an additional excise tax not to exceed one and one-half per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. The excise tax authorized by this division shall be in addition to any tax that is levied pursuant to divisions (A), (B), and (C) of this section, to any excise tax levied pursuant to section 5739.08 of the Revised Code, and to any excise tax levied pursuant to section 351.021 of the Revised Code. The board of county commissioners shall establish all regulations necessary to provide for the administration and allocation of the tax that are not inconsistent with this section or section 307.671 of the Revised Code. The regulations may prescribe the time for payment of the tax, and may provide for the imposition of a penalty or interest, or both, for late payments, provided that the penalty does not exceed ten per cent of the amount of tax due, and the rate at which interest accrues does not exceed the rate per annum prescribed pursuant to section 5703.47 of the Revised Code. All revenues arising from the tax shall be expended in accordance with section 307.671 of the Revised Code and division (D) of this section. The levy of a tax imposed under this division may not commence prior to the first day of the month next following the execution of the cooperative agreement authorized by section 307.671 of the Revised Code by all parties to that agreement. The tax shall remain in effect at the rate at which it is imposed for the period of time described in division (C) of section 307.671 of the Revised Code for which the revenue from the tax has been pledged by the county to the corporation pursuant to that section, but, to any extent provided for in the cooperative agreement, for no lesser period than the period of time required for payment of the debt service charges on bonds, or notes in anticipation of bonds, described in division (B)(1)(b) of that section.

(E) For the purpose of paying the costs of acquiring, constructing, equipping, and improving a municipal educational and cultural facility, including debt service charges on bonds provided for in division (B) of section 307.672 of the Revised Code, and for any additional purposes determined by the county in the resolution levying the tax or amendments to the resolution, including subsequent amendments providing for paying costs of acquiring, constructing, renovating, rehabilitating, equipping, and improving a port authority educational and cultural performing arts facility, as defined in section 307.674 of the Revised Code, and including debt service charges on bonds provided for in division (B) of section 307.674 of the Revised Code, the legislative authority of a county, by resolution adopted within ninety days after June 30, 1993, by a majority of the members of the legislative authority, may levy an additional excise tax not to exceed one and one-half per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. The excise tax authorized by this division shall be in addition to any tax that is levied pursuant to divisions (A), (B), (C), and (D) of this section, to any excise tax levied pursuant to section

5739.08 of the Revised Code, and to any excise tax levied pursuant to section 351.021 of the Revised Code. The legislative authority of the county shall establish all regulations necessary to provide for the administration and allocation of the tax. The regulations may prescribe the time for payment of the tax, and may provide for the imposition of a penalty or interest, or both, for late payments, provided that the penalty does not exceed ten per cent of the amount of tax due, and the rate at which interest accrues does not exceed the rate per annum prescribed pursuant to section 5703.47 of the Revised Code. All revenues arising from the tax shall be expended in accordance with section 307.672 of the Revised Code and this division. The levy of a tax imposed under this division shall not commence prior to the first day of the month next following the execution of the cooperative agreement authorized by section 307.672 of the Revised Code by all parties to that agreement. The tax shall remain in effect at the rate at which it is imposed for the period of time determined by the legislative authority of the county. That period of time shall not exceed fifteen years, except that the legislative authority of a county with a population of less than two hundred fifty thousand according to the most recent federal decennial census, by resolution adopted by a majority of its members before the original tax expires, may extend the duration of the tax for an additional period of time. The additional period of time by which a legislative authority extends a tax levied under this division shall not exceed fifteen years.

(F) The legislative authority of a county that has levied a tax under division (E) of this section may, by resolution adopted within one hundred eighty days after January 4, 2001, by a majority of the members of the legislative authority, amend the resolution levying a tax under that division to provide for the use of the proceeds of that tax, to the extent that it is no longer needed for its original purpose as determined by the parties to a cooperative agreement amendment pursuant to division (D) of section 307.672 of the Revised Code, to pay costs of acquiring, constructing, renovating, rehabilitating, equipping, and improving a port authority educational and cultural performing arts facility, including debt service charges on bonds provided for in division (B) of section 307.674 of the Revised Code, and to pay all obligations under any guaranty agreements, reimbursement agreements, or other credit enhancement agreements described in division (C) of section 307.674 of the Revised Code. The resolution may also provide for the extension of the tax at the same rate for the longer of the period of time determined by the legislative authority of the county, but not to exceed an additional twenty-five years, or the period of time required to pay all debt service charges on bonds provided for in division (B) of section 307.672 of the Revised Code and on port authority revenue bonds provided for in division (B) of section 307.674 of the Revised Code. All revenues arising from the amendment and extension of the tax shall be expended in accordance with section 307.674 of the Revised Code, this division, and division (E) of this section.

(G) For purposes of a tax levied by a county, township, or municipal corporation under this section or section 5739.08 of the Revised Code, a board of

county commissioners, board of township trustees, or the legislative authority of a municipal corporation may adopt a resolution or ordinance at any time specifying that "hotel," as otherwise defined in section 5739.01 of the Revised Code, includes ~~establishments~~ the following:

(1) Establishments in which fewer than five rooms are used for the accommodation of guests. ~~The~~

(2) Establishments at which rooms are used for the accommodation of guests regardless of whether each room is accessible through its own keyed entry or several rooms are accessible through the same keyed entry; and, in determining the number of rooms, all rooms are included regardless of the number of structures in which the rooms are situated or the number of parcels of land on which the structures are located if the structures are under the same ownership and the structures are not identified in advertisements of the accommodations as distinct establishments. For the purposes of division (G)(2) of this section, two or more structures are under the same ownership if they are owned by the same person, or if they are owned by two or more persons the majority of the ownership interests of which are owned by the same person.

The resolution or ordinance may apply to a tax imposed pursuant to this section prior to the adoption of the resolution or ordinance if the resolution or ordinance so states, but the tax shall not apply to transactions by which lodging by such an establishment is provided to transient guests prior to the adoption of the resolution or ordinance.

(H)(1) As used in this division:

(a) "Convention facilities authority" has the same meaning as in section 351.01 of the Revised Code.

(b) "Convention center" has the same meaning as in section 307.695 of the Revised Code.

(2) Notwithstanding any contrary provision of division (D) of this section, the legislative authority of a county with a population of one million or more according to the most recent federal decennial census that has levied a tax under division (D) of this section may, by resolution adopted by a majority of the members of the legislative authority, provide for the extension of such levy and may provide that the proceeds of that tax, to the extent that they are no longer needed for their original purpose as defined by a cooperative agreement entered into under section 307.671 of the Revised Code, shall be deposited into the county general revenue fund. The resolution shall provide for the extension of the tax at a rate not to exceed the rate specified in division (D) of this section for a period of time determined by the legislative authority of the county, but not to exceed an additional forty years.

(3) The legislative authority of a county with a population of one million or more that has levied a tax under division (A)(1) of this section may, by resolution adopted by a majority of the members of the legislative authority,

increase the rate of the tax levied by such county under division (A)(1) of this section to a rate not to exceed five per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. Notwithstanding any contrary provision of division (A)(1) of this section, the resolution may provide that all collections resulting from the rate levied in excess of three per cent, after deducting the real and actual costs of administering the tax, shall be deposited in the county general fund.

(4) The legislative authority of a county with a population of one million or more that has levied a tax under division (A)(1) of this section may, by resolution adopted on or before August 30, 2004, by a majority of the members of the legislative authority, provide that all or a portion of the proceeds of the tax levied under division (A)(1) of this section, after deducting the real and actual costs of administering the tax and the amounts required to be returned to townships and municipal corporations with respect to the first three per cent levied under division (A)(1) of this section, shall be deposited in the county general fund, provided that such proceeds shall be used to satisfy any pledges made in connection with an agreement entered into under section 307.695 of the Revised Code.

(5) No amount collected from a tax levied, extended, or required to be deposited in the county general fund under division (H) of this section shall be contributed to a convention facilities authority, corporation, or other entity created after July 1, 2003, for the principal purpose of constructing, improving, expanding, equipping, financing, or operating a convention center unless the mayor of the municipal corporation in which the convention center is to be operated by that convention facilities authority, corporation, or other entity has consented to the creation of that convention facilities authority, corporation, or entity. Notwithstanding any contrary provision of section 351.04 of the Revised Code, if a tax is levied by a county under division (H) of this section, the board of county commissioners of that county may determine the manner of selection, the qualifications, the number, and terms of office of the members of the board of directors of any convention facilities authority, corporation, or other entity described in division (H)(5) of this section.

(6)(a) No amount collected from a tax levied, extended, or required to be deposited in the county general fund under division (H) of this section may be used for any purpose other than paying the direct and indirect costs of constructing, improving, expanding, equipping, financing, or operating a convention center and for the real and actual costs of administering the tax, unless, prior to the adoption of the resolution of the legislative authority of the county authorizing the levy, extension, increase, or deposit, the county and the mayor of the most populous municipal corporation in that county have entered into an agreement as to the use of such amounts, provided that such agreement has been approved by a majority of the mayors of the other municipal corporations in that county. The agreement shall provide that the amounts to be used for purposes other than paying the convention center or administrative costs described in division (H)(6)(a) of this section be used only for the direct and

indirect costs of capital improvements, including the financing of capital improvements.

(b) If the county in which the tax is levied has an association of mayors and city managers, the approval of that association of an agreement described in division (H)(6)(a) of this section shall be considered to be the approval of the majority of the mayors of the other municipal corporations for purposes of that division.

(7) Each year, the auditor of state shall conduct an audit of the uses of any amounts collected from taxes levied, extended, or deposited under division (H) of this section and shall prepare a report of the auditor of state's findings. The auditor of state shall submit the report to the legislative authority of the county that has levied, extended, or deposited the tax, the speaker of the house of representatives, the president of the senate, and the leaders of the minority parties of the house of representatives and the senate.

(I)(1) As used in this division:

(a) "Convention facilities authority" has the same meaning as in section 351.01 of the Revised Code.

(b) "Convention center" has the same meaning as in section 307.695 of the Revised Code.

(2) Notwithstanding any contrary provision of division (D) of this section, the legislative authority of a county with a population of one million two hundred thousand or more according to the most recent federal decennial census or the most recent annual population estimate published or released by the United States census bureau at the time the resolution is adopted placing the levy on the ballot, that has levied a tax under division (D) of this section may, by resolution adopted by a majority of the members of the legislative authority, provide for the extension of such levy and may provide that the proceeds of that tax, to the extent that the proceeds are no longer needed for their original purpose as defined by a cooperative agreement entered into under section 307.671 of the Revised Code and after deducting the real and actual costs of administering the tax, shall be used for paying the direct and indirect costs of constructing, improving, expanding, equipping, financing, or operating a convention center. The resolution shall provide for the extension of the tax at a rate not to exceed the rate specified in division (D) of this section for a period of time determined by the legislative authority of the county, but not to exceed an additional forty years.

(3) The legislative authority of a county with a population of one million two hundred thousand or more that has levied a tax under division (A)(1) of this section may, by resolution adopted by a majority of the members of the legislative authority, increase the rate of the tax levied by such county under division (A)(1) of this section to a rate not to exceed five per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. Notwithstanding any contrary provision of division (A)(1) of this section, the

resolution shall provide that all collections resulting from the rate levied in excess of three per cent, after deducting the real and actual costs of administering the tax, shall be used for paying the direct and indirect costs of constructing, improving, expanding, equipping, financing, or operating a convention center.

(4) The legislative authority of a county with a population of one million two hundred thousand or more that has levied a tax under division (A)(1) of this section may, by resolution adopted on or before July 1, 2008, by a majority of the members of the legislative authority, provide that all or a portion of the proceeds of the tax levied under division (A)(1) of this section, after deducting the real and actual costs of administering the tax and the amounts required to be returned to townships and municipal corporations with respect to the first three per cent levied under division (A)(1) of this section, shall be used to satisfy any pledges made in connection with an agreement entered into under section 307.695 of the Revised Code or shall otherwise be used for paying the direct and indirect costs of constructing, improving, expanding, equipping, financing, or operating a convention center.

(5) Any amount collected from a tax levied or extended under division (I) of this section may be contributed to a convention facilities authority created before July 1, 2005, but no amount collected from a tax levied or extended under division (I) of this section may be contributed to a convention facilities authority, corporation, or other entity created after July 1, 2005, unless the mayor of the municipal corporation in which the convention center is to be operated by that convention facilities authority, corporation, or other entity has consented to the creation of that convention facilities authority, corporation, or entity."

In line 90917, after "5739.033," insert "5739.09,"

In line 166 of the title, after "5739.033," insert "5739.09,"

In line 100937, after "Initiative" insert ", which includes its industrial outreach program, Blue Collar Computing, and its School of Computational Science. These collaborations between the Ohio Supercomputer Center and Ohio's colleges and universities shall be aimed at making Ohio a leader in using computer modeling to promote economic development"

In line 448, delete "4928.201, 4929.261"

Delete lines 72952 through 72965

Delete lines 73196 through 73198

In line 210 of the title, delete "4928.201, 4929.261"

In line 296, delete "117.16,"

In line 315, delete "723.52, 723.53,"

In line 409, delete "5517.02, 5543.19, 5575.01,"

In line 425, delete "117.162,"

In line 454, delete "5579.10,"

Delete lines 4143 through 4285

Delete lines 20178 through 20237

Delete lines 80306 through 80345

Delete lines 80367 through 80557

In line 90798, delete "117.16,"

In line 90817, delete "723.52, 723.53,"

In line 90911, delete "5517.02,"

In line 90912, delete "5543.19, 5575.01,"

In line 5 of the title, delete "117.16,"

In line 30 of the title, delete "723.52, 723.53."

In line 159 of the title, delete "5517.02, 5543.19, 5575.01,"

In line 181 of the title, delete "117.162,"

In line 217 of the title, delete "5579.10,"

Between lines 93187a and 93188, insert:

"7022 195606 Rapid Outreach Loans $15,000,000 $15,000,000"

In line 93190, add $15,000,000 to each fiscal year

In line 93204, add $15,000,000 to each fiscal year

Between lines 93238 and 93239, insert:

"**Section 259.10.60.** TECHNOLOGY ACTION

The foregoing appropriation item 195422, Technology Action, shall be used for operating expenses the Department of Development incurs for administering sections 184.10 to 184.20 of the Revised Code. If the appropriation is insufficient to cover the operating expenses, the Department may request Controlling Board approval to appropriate the additional amount needed in appropriation item 195686, Third Frontier Operating. The Department shall not request an amount in excess of the amount needed."

In line 93486, after the semicolon delete the balance of the line

In line 93487, delete "Technology Action grants;"

Delete lines 93530 through 93539

Delete lines 96929 through 96931

Between lines 96941 and 96942, insert:

"5AG0820603	Health Information Technology and Health Care	$ 10,116,272	$ 0

Coverage and Quality
Council

In line 96943, add $10,116,272 to fiscal year 2010

In line 96944, add $8,116,272 to fiscal year 2010 and subtract $2,000,000 from fiscal year 2011

Between lines 96944 and 96945, insert:

"HEALTH INFORMATION TECHNOLOGY AND HEALTH CARE COVERAGE AND QUALITY COUNCIL

Notwithstanding section 3929.682 of the Revised Code, up to $8,000,000 of the foregoing appropriation item 820603, Health Information Technology and Health Care Coverage and Quality Council, shall be used for health information technology initiatives: to provide the central tools and support the electronic exchange of health information, to work with industry associations to encourage and support providers in using electronic medical records, and to establish a loan program to help health care providers with the financial burden of buying and implementing electronic medical records.

Notwithstanding section 3929.682 of the Revised Code, up to $2,116,272 of the foregoing appropriation item 820603, Health Information Technology and Health Care Coverage and Quality Council, may be used to support the implementation of strategies recommended by the Health Care Coverage and Quality Council established in section 3923.90 of the Revised Code.

An amount equal to the unexpended, unencumbered portion of the foregoing appropriation item 820603, Health Information Technology and Health Care Coverage and Quality Council, at the end of fiscal year 2010 is hereby reappropriated for the same purpose for fiscal year 2011."

Delete lines 96945 through 96953

In line 8463, after " business" insert " or EDGE business enterprise"

In line 8477, after " business" insert " or EDGE business enterprise"

In line 8480, delete " each" and insert " the"; after " business" insert " or EDGE business enterprise"

In line 8482, after " business" insert " or EDGE business enterprise"

In line 8484, after " bond" insert " , but only if the minority business or EDGE business enterprise is participating in a qualified contractor assistance program or has successfully completed a qualified contractor assistance program after the effective date of this amendment"

In line 8485, delete " For each second contract that a" and insert " After the state or any particular instrumentality of the state has accepted the first contract as completed and all subcontractors and suppliers on the contract have been paid, the"; delete " enters" and insert " or EDGE business enterprise may bid or enter"

In line 8486, after " into" insert " a second contract"; delete " any" and insert " that"

In line 8487, after " state" delete the remainder of the line

In line 8489, after " bond" insert " , but only if the minority business or EDGE business enterprise is participating in a qualified contractor assistance program or has successfully completed a qualified contractor assistance program after the effective date of this amendment"

In line 8490, delete " For each third contract that a" and insert " After the state or any particular instrumentality of the state has accepted the second contract as completed and all subcontractors and suppliers on the contract have been paid, the"; delete " enters" and insert " or EDGE business enterprise may bid or enter"

In line 8491, after " into" insert " a third contract"; delete " any" and insert " that"

In line 8492, after " state" delete the remainder of the line

In line 8494, after " bond" insert " , but only if the minority business or EDGE business enterprise has successfully completed a qualified contractor assistance program after the effective date of this amendment"

In line 8495, delete " For each fourth contract that a" and insert " After the state or any particular instrumentality of the state has accepted the third contract as completed and all subcontractors and suppliers on the contract have been paid, the"; delete " enters" and insert " or EDGE business enterprise may bid or enter"

In line 8496, after " into" insert " a fourth contract"; delete " any" and insert " that"

In line 8497, after " state" delete the remainder of the line

In line 8499, delete the underlined semicolon and insert " , but only if the minority business or EDGE business enterprise has successfully completed a qualified contractor assistance program after the effective date of this amendment."

In line 8500, after " (5)" delete the remainder of the line and insert " After the state or any instrumentality of the state has accepted the fourth contract as completed and all subcontractors and suppliers on the contract have been paid, upon a showing that with respect to a contract valued at four hundred thousand dollars or less with the state or with any particular instrumentality of the state, that the minority business or EDGE business enterprise either has been denied a bond by two surety companies or that the minority business or EDGE business enterprise has applied to two surety companies for a bond and, at the expiration of sixty days after making the application, has neither received nor been denied a bond, the minority business or EDGE business enterprise may repeat its participation in the unbonded state contractor program. Under no circumstances

shall a minority business or EDGE business enterprise be permitted to participate in the unbonded state contractor program more than twice."

Delete lines 8501 through 8504

In line 8506, delete " and except as provided in division (I) of this section"

In line 8507, after " business" insert " or EDGE business enterprise"

In line 8511, delete " each" and insert " the"; delete " a" and insert " the"; after " business" insert " or EDGE business enterprise"

In line 8514, after " business" insert " or EDGE business enterprise"

In line 8516, after " bond" insert " , but only if the minority business or EDGE business enterprise is participating in a qualified contractor assistance program or has successfully completed a qualified contractor assistance program after the effective date of this amendment"

In line 8517, delete " For each second contract that a" and insert " After any political subdivision of the state or any instrumentality of a political subdivision has accepted the first contract as completed and all subcontractors and suppliers on the contract have been paid, the"; delete " enters" and insert " or EDGE business enterprise may bid or enter"

In line 8518, after " into" insert " a second contract"; delete " any" and insert " that"

In line 8519, delete " any" and insert " that"; delete the underlined comma

In line 8520, delete " the minority business may bid or enter into a contract"

In line 8522, after " bond" insert " , but only if the minority business or EDGE business enterprise is participating in a qualified contractor assistance program or has successfully completed a qualified contractor assistance program after the effective date of this amendment"

In line 8523, delete " For each third contract that a" and insert " After any political subdivision of the state or any instrumentality of a political subdivision has accepted the second contract as completed and all subcontractors and suppliers on the contract have been paid, the"; delete " enters" and insert " or EDGE business enterprise may bid or enter"

In line 8524, after " into" insert " a third contract"; delete " any" and insert " that"

In line 8525, delete " any" and insert " that"; delete the underlined comma

In line 8526, delete " the minority business may bid or enter into a contract"

In line 8528, after " bond" insert " , but only if the minority business or EDGE business enterprise has successfully completed a qualified contractor

assistance program after the effective date of this amendment"

In line 8529, delete " For each fourth contract that a" and insert " After any political subdivision of the state or any instrumentality of a political subdivision has accepted the third contract as completed and all subcontractors and suppliers on the contract have been paid, the"; delete " enters" and insert " or EDGE business enterprise may bid or enter"

In line 8530, after " into" insert " a fourth contract"; delete " any" and insert " that"

In line 8531, delete " any" and insert " that"; delete the underlined comma

In line 8532, delete " the minority business may bid or enter into a contract"

In line 8533, delete " three" and insert " two"

In line 8534, delete the underlined semicolon and insert " , but only if the minority business or EDGE business enterprise has successfully completed a qualified contractor assistance program after the effective date of this amendment."

In line 8535, after " (5)" delete the remainder of the line and insert " After any political subdivision of the state or any instrumentality of a political subdivision has accepted the fourth contract as completed and all subcontractors and suppliers on the contract have been paid, upon a showing that with respect to a contract valued at three hundred thousand dollars or less with any political subdivision of the state or any instrumentality of a political subdivision, that the minority business or EDGE business enterprise either has been denied a bond by two surety companies or that the minority business or EDGE business enterprise has applied to two surety companies for a bond and, at the expiration of sixty days after making the application, has neither received nor been denied a bond, the minority business or EDGE business enterprise may repeat its participation in the unbonded political subdivision contractor program. Under no circumstances shall a minority business or EDGE business enterprise be permitted to participate in the unbonded political subdivision contractor program more than twice."

Delete lines 8536 through 8540

In line 8542, after " business" insert " or EDGE business enterprise"

In line 8544, after " business" insert " or EDGE business enterprise"

In line 8457, after " business" insert " or EDGE business enterprise"

Between lines 8548 and 8549, insert:

" (J) The director of development shall coordinate and oversee the unbonded state contractor program described in division (G) of this section, the unbonded political subdivision contractor program described in division (H) of this section, and the approval of a qualified contractor assistance program. The

director shall prepare an annual report and submit it to the governor and the general assembly on or before the first day of February that includes the following: information on the director's activities for the preceding calendar year regarding the unbonded state contractor program, the unbonded political subdivision contractor program, and the qualified contractor assistance program; a summary and description of the operations and activities of these programs; an assessment of the achievements of these programs; and a recommendation as to whether these programs need to continue.

(K) As used in this section:

(1) "EDGE business enterprise" means an EDGE business enterprise certified under section 123.152 of the Revised Code.

(2) "Qualified contractor assistance program" means an educational program or technical assistance program for business development that is designed to assist a minority business or EDGE business enterprise in becoming eligible for bonding and has been approved by the director of development for use as required under this section.

(3) "Successfully completed a qualified contractor assistance program" means the minority business or EDGE business enterprise completed such a program on or after the effective date of this amendment.

(4) "Unbonded state contractor program" means the program described in division (G) of this section.

(5) "Unbonded political subdivision contractor program" means the program described in division (H) of this section."

In line 314, after "321.261," insert "323.121,"

In line 332, after "1721.221," insert "1724.04,"

Between lines 19323 and 19324 insert:

"**Sec. 323.121.** (A)(1) Except as otherwise provided in division (A)(2) of this section, if one-half of the current taxes charged against an entry of real estate together with the full amount of any delinquent taxes are not paid on or before the thirty-first day of December in that year or on or before the last day for payment as extended pursuant to section 323.17 of the Revised Code, a penalty of ten per cent shall be charged against the unpaid balance of such half of the current taxes on the duplicate. If the total amount of all the taxes is not paid on or before the twentieth day of June, next thereafter, or on or before the last day for payment as extended pursuant to section 323.17 of the Revised Code, a like penalty shall be charged on the balance of the total amount of such unpaid current taxes.

(2) After a valid delinquent or omitted tax contract that includes unpaid current taxes from a first-half collection period described in section 323.12 of the Revised Code has been entered into under section 323.31 or 5713.20 of the Revised Code, no ten per cent penalty shall be charged against such taxes after

the second-half collection period while the delinquent or omitted tax contract remains in effect. On the day a delinquent or omitted tax contract becomes void, the ten per cent penalty shall be charged against such taxes and shall equal the amount of penalty that would have been charged against unpaid current taxes outstanding on the date on which the second-half penalty would have been charged thereon under division (A)(1) of this section if the contract had not been in effect.

(B)(1) On the first day of the month following the last day the second installment of taxes may be paid without penalty, interest shall be charged against and computed on all delinquent taxes other than the current taxes that became delinquent taxes at the close of the last day such second installment could be paid without penalty. The charge shall be for interest that accrued during the period that began on the preceding first day of December and ended on the last day of the month that included the last date such second installment could be paid without penalty. The interest shall be computed at the rate per annum prescribed by section 5703.47 of the Revised Code and shall be entered as a separate item on the tax list and duplicate compiled under section 319.28 or 5721.011 of the Revised Code, whichever list and duplicate are first compiled after the date on which the interest is computed and charged. However, for tracts and lots on the real property tax suspension list under section 319.48 of the Revised Code, the interest shall not be entered on the tax list and duplicate compiled under section 319.28 of the Revised Code, but shall be entered on the first tax list and duplicate compiled under section 5721.011 of the Revised Code after the date on which the interest is computed and charged.

(2) In a county on behalf of which a county land reutilization corporation has been organized under Chapter 1724. of the Revised Code, ~~on~~ upon the written order of the county treasurer, interest shall be charged against and computed on delinquent taxes as provided in division (B)(2)(a) or (b) of this section, as prescribed in the order:

(a) In the manner provided under divisions (B)(1) and (B)(3) of this section, except that the interest shall be computed at the rate of twelve per cent per annum; or

(b) On the first day of the ~~first~~ month following the month in which interest otherwise would be charged in accordance with division (B)(1) of this section as specified in the order, and each subsequent month, interest shall be charged against and computed on all delinquent taxes remaining delinquent on the last day of the preceding month at a rate of one per cent per month. ~~If~~

The county treasurer shall file a copy of the order directing the rate and manner of charging interest under this division with the county treasurer and the tax commissioner. If interest is charged under division (B)(2) of this section, interest shall not be charged under division (B)(1) or (3) of this section.

(3) On the first day of December, the interest shall be charged against and computed on all delinquent taxes. The charge shall be for interest that accrued

during the period that began on the first day of the month following the last date prescribed for the payment of the second installment of taxes in the current year and ended on the immediately preceding last day of November. The interest shall be computed at the rate per annum prescribed by section 5703.47 of the Revised Code and shall be entered as a separate item on the tax list and duplicate compiled under section 319.28 or 5721.011 of the Revised Code, whichever list and duplicate are first compiled after the date on which the interest is computed and charged. However, for tracts and lots on the real property tax suspension list under section 319.48 of the Revised Code, the interest shall not be entered on the tax list and duplicate compiled under section 319.28 of the Revised Code, but shall be entered on the first tax list and duplicate compiled under section 5721.011 of the Revised Code after the date on which the interest is computed and charged.

(4) After a valid delinquent tax contract has been entered into for the payment of any delinquent taxes, no interest shall be charged against such delinquent taxes while the delinquent tax contract remains in effect in compliance with section 323.31 of the Revised Code. If a valid delinquent tax contract becomes void, interest shall be charged against the delinquent taxes for the periods that interest was not permitted to be charged while the delinquent tax contract was in effect. The interest shall be charged on the day the delinquent tax contract becomes void and shall equal the amount of interest that would have been charged against the unpaid delinquent taxes outstanding on the dates on which interest would have been charged thereon under divisions (B)(1), (2), and (3) of this section had the delinquent tax contract not been in effect.

(C) If the full amount of the taxes due at either of the times prescribed by division (A) of this section is paid within ten days after such time, the county treasurer shall waive the collection of and the county auditor shall remit one-half of the penalty provided for in that division for failure to make that payment by the prescribed time.

(D) The county treasurer shall compile and deliver to the county auditor a list of all tax payments the treasurer has received as provided in division (C) of this section. The list shall include any information required by the auditor for the remission of the penalties waived by the treasurer. The taxes so collected shall be included in the settlement next succeeding the settlement then in process."

Between lines 27282 and 27283 insert:

"**Sec. 1724.04.** A county having a population of more than one million two hundred thousand as of the most recent decennial census that elects under section 5722.02 of the Revised Code to adopt and implement the procedures set forth in sections 5722.02 to 5722.15 of the Revised Code may organize a county land reutilization corporation under this chapter and Chapter 1702. of the Revised Code for the purpose of exercising the powers granted to a county under Chapter 5722. of the Revised Code. The county treasurer of the county for the benefit of which the corporation is being organized shall be the incorporator of the county land reutilization corporation. The form of the articles of

incorporation of the corporation shall be approved by resolution of the board of county commissioners of the county. ~~A county land reutilization corporation may not be organized under this chapter after the day that is one year after the effective date of the amendment of this section by S.B. 353 of the 127th General Assembly~~.

When the articles of incorporation of any community improvement corporation, or any amendment, amended articles, merger, or consolidation which provides for the creation of such a corporation, are deposited for filing and recording in the office of the secretary of state, the secretary of state shall submit them to the attorney general for examination. If such articles, amendment, amended articles, merger, or consolidation, are found by the attorney general to be in accordance with Chapter 1724. of the Revised Code, and not inconsistent with the constitution and laws of the United States and of this state, the attorney general shall endorse thereon the attorney general's approval and deliver them to the secretary of state, who shall file and record them pursuant to section 1702.07 of the Revised Code."

In line 90816, after "321.261," insert "323.121,"

In line 90834, after "1721.211," insert "1724.04,"

In line 28 of the title, after "321.261," insert "323.121,"

In line 54 of the title, after "1721.211," insert "1724.04,"

In line 332, after "1707.17," insert "1710.01,"; after "1710.02," insert "1710.06, 1710.07,"

Between lines 26874 and 26875, insert:

"**Sec. 1710.01.** As used in this chapter:

(A) "Special improvement district" means a special improvement district organized under this chapter.

(B) "Church" means a fellowship of believers, congregation, society, corporation, convention, or association that is formed primarily or exclusively for religious purposes and that is not formed for the private profit of any person.

(C) "Church property" means property that is described as being exempt from taxation under division (A)(2) of section 5709.07 of the Revised Code and that the county auditor has entered on the exempt list compiled under section 5713.07 of the Revised Code.

(D) "Municipal executive" means the mayor, city manager, or other chief executive officer of the municipal corporation in which a special improvement district is located.

(E) "Participating political subdivision" means the municipal corporation or township, or each of the municipal corporations or townships, that has territory within the boundaries of a special improvement district created under this chapter.

(F) "Legislative authority of a participating political subdivision" means, with reference to a township, the board of township trustees.

(G) "Public improvement" means the planning, design, construction, reconstruction, enlargement, or alteration of any facility or improvement, including the acquisition of land, for which a special assessment may be levied under Chapter 727. of the Revised Code , and includes any special energy improvement project.

(H) "Public service" means any service that can be provided by a municipal corporation or any service for which a special assessment may be levied under Chapter 727. of the Revised Code.

(I) "Special energy improvement project" means any property, device, structure, or equipment necessary for the acquisition, installation, equipping, and improvement of any real or personal property used for the purpose of creating a solar photo voltaic project or a solar thermal energy project, whether such real or personal property is publicly or privately owned."

In line 26881, after "a" insert " special improvement"

In line 26882, after "contiguous" insert " ; except that the territory in a special improvement district may be noncontiguous if at least one special energy improvement project is designated for each parcel of real property included within the special improvement district. Additional territory may be added to a special improvement district created under this chapter for the purpose of developing and implementing plans for special energy improvement projects if at least one special energy improvement project is designated for each parcel of real property included within such additional territory and the addition of territory is authorized by the initial plan proposed under division (F) of this section or a plan adopted by the board of directors of the special improvement district under section 1710.06 of the Revised Code"

In line 26896, after "contiguous" insert " ; except that the area of a special improvement district may be noncontiguous if all parcels of real property included within such area contain at least one special energy improvement thereon"

In line 26983, after the period, insert " Pursuant to Section 2o of Article VIII, Ohio Constitution, the petition required under this division may be for the purpose of developing and implementing plans for special energy improvement projects, and, in such case, is determined to be in furtherance of the purposes set forth in Section 2o of Article VIII, Ohio Constitution. If a special improvement district is being created under this chapter for the purpose of developing and implementing plans for special energy improvement projects, the petition required under this division shall be signed by one hundred per cent of the owners of the area of all real property located within the proposed special improvement district, at least one special energy improvement project shall be designated for each parcel of real property within the special improvement district, and the special improvement district may include any number of parcels

of real property as determined by the legislative authority of each participating political subdivision in which the proposed special improvement district is to be located."

In line 26995, after the period insert " The acquisition, installation, equipping, and improvement of a special energy improvement project under this chapter shall not supersede any local zoning, environmental, or similar law or regulation."

In line 27015, strike through "(5)" and insert " (6)"; after "section" insert " :

(7) If the special improvement district is being created under this chapter for the purpose of developing and implementing plans for special energy improvement projects, provision for the addition of territory to the special improvement district"

In line 27021, after "plan" insert " ; except that if the proceeds of the levy are to be used to pay the costs of a special energy improvement project, the levy of a special assessment shall be for no more than twenty-five years from the date of approval of the initial plan. In the event that additional territory is added to a special improvement district, the special assessment to be levied with respect to such additional territory shall commence not earlier than the date such territory is added and shall be for no more than twenty-five years from such date"

Between lines 27041 and 27042, insert:

" The board of directors of a special improvement district may, acting as agent and on behalf of a participating political subdivision, sell, transfer, lease, or convey any special energy improvement project owned by the participating political subdivision upon a determination by the legislative authority thereof that the project is not required to be owned exclusively by the participating political subdivision for its purposes, for uses determined by the legislative authority thereof as those that will promote the welfare of the people of such participating political subdivision; to improve the quality of life and the general and economic well-being of the people of the participating political subdivision; better ensure the public health, safety, and welfare; protect water and other natural resources; provide for the conservation and preservation of natural and open areas and farmlands, including by making urban areas more desirable or suitable for development and revitalization; control, prevent, minimize, clean up, or mediate certain contamination of or pollution from lands in the state and water contamination or pollution; or provide for safe and natural areas and resources. The legislative authority of each participating political subdivision shall specify the consideration for such sale, transfer, lease, or conveyance and any other terms thereof. Any determinations made by a legislative authority of a participating political subdivision under this division shall be conclusive.

Any sale, transfer, lease, or conveyance of a special energy improvement project by a participating political subdivision or the board of directors of the special improvement district may be made without advertising, receipt of bids, or

other competitive bidding procedures applicable to the participating political subdivision or the special improvement district under Chapter 153. or 735. or section 1710.11 of the Revised Code or other representative provisions of the Revised Code."

Between lines 27041 and 27042, insert:

"**Sec. 1710.06.** (A) The board of directors of a special improvement district may develop and adopt one or more written plans for public improvements or public services that benefit all or any part of the district. Each plan shall set forth the specific public improvements or public services that are to be provided, identify the area in which they will be provided, and specify the method of assessment to be used. Each plan for public improvements or public services shall indicate the period of time the assessments are to be levied for the improvements and services and, if public services are included in the plan, the period of time the services are to remain in effect. Plans for public improvements may include the planning, design, construction, reconstruction, enlargement, or alteration of any public improvements and the acquisition of land for the improvements. Plans for public improvements or public services may also include, but are not limited to, provisions for the following:

(1) Creating and operating the district and the nonprofit corporation under this chapter, including hiring employees and professional services, contracting for insurance, and purchasing or leasing office space and office equipment and other requirements of the district;

(2) Planning, designing, and implementing a public improvements or public services plan, including hiring architectural, engineering, legal, appraisal, insurance, and planning services, and, for public services, managing, protecting, and maintaining public and private facilities, including public improvements;

(3) Conducting court proceedings to carry out this chapter;

(4) Paying damages resulting from the provision of public improvements or public services and implementing the plans;

(5) Paying the costs of issuing, paying interest on, and redeeming notes and bonds issued for funding public improvements and public services plans ; and

(6) Sale, lease, lease with an option to purchase, conveyance of other interests in, or other contracts for the acquisition, construction, maintenance, repair, furnishing, equipping, operation, or improvement of any special energy improvement project by the special improvement district, between a participating political subdivision and the special improvement district, and between the special improvement district and any owner of real property in the special improvement district on which a special energy improvement project has been acquired, installed, equipped, or improved.

(B) Once the board of directors of the special improvement district adopts a plan, it shall submit the plan to the legislative authority of each

participating political subdivision and the municipal executive of each municipal corporation in which the district is located, if any. The legislative authorities and municipal executives shall review the plan and, within sixty days after receiving it, may submit their comments and recommendations about it to the district. After reviewing these comments and recommendations, the board of directors may amend the plan. It may then submit the plan, amended or otherwise, in the form of a petition to members of the district whose property may be assessed for the plan. Once the petition is signed by those members who own at least sixty per cent of the front footage of property that is to be assessed and that abuts upon a street, alley, public road, place, boulevard, parkway, park entrance, easement, or other public improvement, or those members who own at least seventy-five per cent of the area to be assessed for the improvement or service, the petition may be submitted to each legislative authority for approval. If the special improvement district was created for the purpose of developing and implementing plans for special energy improvement projects, the petition required under this division shall be signed by one hundred per cent of the owners of the area of all real property located within the area to be assessed for the special energy improvement project.

Each legislative authority shall, by resolution, approve or reject the petition within sixty days after receiving it. If the petition is approved by the legislative authority of each participating political subdivision, the plan contained in the petition shall be effective at the earliest date on which a nonemergency resolution of the legislative authority with the latest effective date may become effective. A plan may not be resubmitted to the legislative authorities and municipal executives more than three times in any twelve-month period.

(C) Each participating political subdivision shall levy, by special assessment upon specially benefited property located within the district, the costs of any public improvements or public services plan contained in a petition approved by the participating political subdivisions under this section or division (F) of section 1710.02 of the Revised Code. The levy shall be made in accordance with the procedures set forth in Chapter 727. of the Revised Code, except that:

(1) The assessment for each improvements or services plan may be levied by any one or any combination of the methods of assessment listed in section 727.01 of the Revised Code, provided that the assessment is uniformly applied.

(2) For the purpose of levying an assessment, the board of directors may combine one or more improvements or services plans or parts of plans and levy a single assessment against specially benefited property.

(3) For purposes of special assessments levied by a township pursuant to this chapter, references in Chapter 727. of the Revised Code to the municipal corporation shall be deemed to refer to the township, and references to the legislative authority of the municipal corporation shall be deemed to refer to the board of township trustees.

Church property or property owned by a political subdivision, including any participating political subdivision in which a special improvement district is located, shall be included in and be subject to special assessments made pursuant to a plan adopted under this section or division (F) of section 1710.02 of the Revised Code, if the church or political subdivision has specifically requested in writing that its property be included within the special improvement district and the church or political subdivision is a member of the district.

(D) All rights and privileges of property owners who are assessed under Chapter 727. of the Revised Code shall be granted to property owners assessed under this chapter, including those rights and privileges specified in sections 727.15 to 727.17 and 727.18 to 727.22 of the Revised Code and the right to notice of the resolution of necessity and the filing of the estimated assessment under section 727.13 of the Revised Code. Property owners assessed for public services under this chapter shall have the same rights and privileges as property owners assessed for public improvements under this chapter.

Sec. 1710.07. The cost of any public improvements or public services plan of a special improvement district may include, but is not limited to, the following:

(A) The cost of creating and operating the district under this chapter, including creating and operating a nonprofit organization organized under this chapter, hiring employees and professional services, contracting for insurance, and purchasing or leasing office space or office equipment;

(B) The cost of planning, designing, and implementing the public improvements or public services plan, including payment of architectural, engineering, legal, appraisal, insurance, and planning fees and expenses, and, for public services, the management, protection, and maintenance costs of public or private facilities;

(C) Any court costs incurred by the district in implementing the public improvements or public services plan;

(D) Any damages resulting from implementing the public improvements or public services plan;

(E) The costs of issuing, paying interest on, and redeeming notes and bonds issued for funding the public improvements or public services plan ; and

(F) The costs associated with the sale, lease, lease with an option to purchase, conveyance of other interests in, or other contracts for the acquisition, construction, maintenance, repair, furnishing, equipping, operation, or improvement of any special energy improvement project by the district, between a participating political subdivision and the special improvement district, or between the special improvement district and any owner of real property in the special improvement district on which a special energy improvement project has been acquired, installed, equipped, or improved."

In line 90834, after "1707.17," insert "1710.01,"; after "1710.02," insert

"1710.06, 1710.07,"

In line 53 of the title, after "1707.17," insert "1710.01,"; after "1710.02," insert "1710.06, 1710.07,"

In line 455, after "5733.58," insert "5733.59,"

Delete lines 8175 through 8426 and insert:

" **Sec. 122.85.** (A) As used in this section and in sections 5733.59 and 5747.66 of the Revised Code:

(1) "Tax credit-eligible production" means a motion picture production certified by the director of development under division (B) of this section as qualifying the motion picture company for a tax credit under section 5733.59 or 5747.66 of the Revised Code.

(2) "Certificate owner" means a motion picture company to which a tax credit certificate is issued.

(3) "Motion picture company" means an individual, corporation, partnership, limited liability company, or other form of business association producing a motion picture.

(4) "Eligible production expenditures" means expenditures made after June 30, 2009, for goods or services purchased and consumed in this state by a motion picture company directly for the production of a tax credit-eligible production.

"Eligible production expenditures" includes, but is not limited to, expenditures for resident and nonresident cast and crew wages, accommodations, costs of set construction and operations, editing and related services, photography, sound synchronization, lighting, wardrobe, makeup and accessories, film processing, transfer, sound mixing, special and visual effects, music, location fees, and the purchase or rental of facilities and equipment.

(5) "Motion picture" means entertainment content created in whole or in part within this state for distribution or exhibition to the general public, including, but not limited to, feature-length films; documentaries; long-form, specials, miniseries, series, and interstitial television programming; interactive web sites; sound recordings; videos; music videos; interactive television; interactive games; videogames; commercials; any format of digital media; and any trailer, pilot, video teaser, or demo created primarily to stimulate the sale, marketing, promotion, or exploitation of future investment in either a product or a motion picture by any means and media in any digital media format, film, or videotape, provided the motion picture qualifies as a motion picture. "Motion picture" does not include any television program created primarily as news, weather, or financial market reports, a production featuring current events or sporting events, an awards show or other gala event, a production whose sole purpose is fundraising, a long-form production that primarily markets a product or service or in-house corporate advertising or other similar productions, a

production for purposes of political advocacy, or any production for which records are required to be maintained under 18 U.S.C. 2257 with respect to sexually explicit content.

(B) For the purpose of encouraging and developing a strong film industry in this state, the director of development may certify a motion picture produced by a motion picture company as a tax credit-eligible production. In the case of a television series, the director may certify the production of each episode of the series as a separate tax credit-eligible production. A motion picture company shall apply for certification of a motion picture as a tax credit-eligible production on a form and in the manner prescribed by the director. Each application shall include the following information:

(1) The name and telephone number of the motion picture production company;

(2) The name and telephone number of the company's contact person;

(3) A list of the first preproduction date through the last production date in Ohio;

(4) The Ohio production office address and telephone number;

(5) The total production budget of the motion picture;

(6) The total budgeted eligible production expenditures and the percentage that amount is of the total production budget of the motion picture;

(7) The total percentage of the motion picture being shot in Ohio;

(8) The level of employment of cast and crew who reside in Ohio;

(9) A synopsis of the script;

(10) The shooting script;

(11) A creative elements list that includes the names of the principal cast and crew and the producer and director;

(12) Documentation of financial ability to undertake and complete the motion picture;

(13) Estimated value of the tax credit based upon total budgeted eligible production expenditures;

(14) Any other information considered necessary by the director.

Within ninety days after certification of a motion picture as a tax credit-eligible production, and any time thereafter upon the director's request, the motion picture company shall present to the director of development sufficient evidence of reviewable progress. If the motion picture company fails to present sufficient evidence, the director of development may rescind the certification. Upon rescission, the director shall notify the applicant that the certification has been rescinded. Nothing in this section prohibits an applicant whose tax

credit-eligible production certification has been rescinded from submitting a subsequent application for certification.

(C)(1) A motion picture company whose motion picture has been certified as a tax credit-eligible production may apply to the director of development on or after July 1, 2009, for a refundable credit against the tax imposed by section 5733.06 or 5747.02 of the Revised Code. The director in consultation with the tax commissioner shall prescribe the form and manner of the application and the information or documentation required to be submitted with the application.

The credit is determined as follows:

(a) If the total budgeted eligible production expenditures stated in the application submitted under division (B) of this section or the actual eligible production expenditures as finally determined under division (D) of this section, whichever is least, is less than or equal to three hundred thousand dollars, no credit is allowed;

(b) If the total budgeted eligible production expenditures stated in the application submitted under division (B) of this section or the actual eligible production expenditures as finally determined under division (D) of this section, whichever is least, is greater than three hundred thousand dollars, the credit equals the sum of the following, subject to the limitation in division (C)(4) of this section:

(i) Twenty-five per cent of the least of such budgeted or actual eligible expenditure amounts excluding budgeted or actual eligible expenditures for resident cast and crew wages;

(ii) Thirty-five per cent of budgeted or actual eligible expenditures for resident cast and crew wages.

(2) Except as provided in division (C)(4) of this section, if the director of development approves a motion picture company's application for a credit, the director shall issue a tax credit certificate to the company. The director in consultation with the tax commissioner shall prescribe the form and manner of issuing certificates. The director shall assign a unique identifying number to each tax credit certificate and shall record the certificate in a register devised and maintained by the director for that purpose. The certificate shall state the amount of the eligible production expenditures on which the credit is based and the amount of the credit. Upon the issuance of a certificate, the director shall certify to the tax commissioner the name of the applicant, the amount of eligible production expenditures shown on the certificate, and any other information required by the rules adopted to administer this section.

(3) The amount of eligible production expenditures for which a tax credit may be claimed is subject to inspection and examination by the tax commissioner or employees of the commissioner under section 5703.19 of the Revised Code and any other applicable law. Once the eligible production

expenditures are finally determined under section 5703.19 of the Revised Code and division (D) of this section, the credit amount is not subject to adjustment unless the director determines an error was committed in the computation of the credit amount.

(4) No tax credit certificate may be issued before the completion of the tax credit-eligible production. For the fiscal biennium beginning July 1, 2009, and ending June 30, 2011, not more than thirty million dollars of tax credit may be allowed, of which not more than ten million dollars of tax credit may be allowed in the first year of the biennium. In succeeding fiscal biennia, not more than twenty million dollars of tax credit may be allowed per fiscal biennium, and not more than ten million dollars may be allowed in the first year of the biennium. At any time, not more than five million dollars of tax credit may be allowed per tax credit-eligible production.

(D) A motion picture company whose motion picture has been certified as a tax credit-eligible production shall engage, at the company's expense, an independent certified public accountant to examine the company's production expenditures to identify the expenditures that qualify as eligible production expenditures. The certified public accountant shall issue a report to the company and to the director of development certifying the company's eligible production expenditures and any other information required by the director. Upon receiving and examining the report, the director may disallow any expenditure the director determines is not an eligible production expenditure. If the director disallows an expenditure, the director shall issue a written notice to the motion picture production company stating that the expenditure is disallowed and the reason for the disallowance. Upon examination of the report and disallowance of any expenditures, the director shall determine finally the lesser of the total budgeted eligible production expenditures stated in the application submitted under division (B) of this section or the actual eligible production expenditures for the purpose of computing the amount of the credit.

(E) No credit shall be allowed under section 5733.59 or 5747.66 of the Revised Code unless the director has reviewed the report and made the determination prescribed by division (D) of this section.

(F) This state reserves the right to refuse the use of this state's name in the credits of any tax credit-eligible motion picture production.

(G)(1) The director of development in consultation with the tax commissioner shall adopt rules for the administration of this section, including rules setting forth and governing the criteria for determining whether a motion picture production is a tax credit-eligible production; activities that constitute the production of a motion picture; reporting sufficient evidence of reviewable progress; expenditures that qualify as eligible production expenditures; a competitive process for approving credits; and consideration of geographic distribution of credits. The rules shall be adopted under Chapter 119. of the Revised Code.

(2) The director may require a reasonable application fee to cover administrative costs of the tax credit program. The fees collected shall be credited to the motion picture tax credit program operating fund, which is hereby created in the state treasury. The motion picture tax credit program operating fund shall consist of all grants, gifts, fees, and contributions made to the director of development for marketing and promotion of the motion picture industry within this state. The director of development shall use money in the fund to pay expenses related to the administration of the Ohio film office and the credit authorized by this section and sections 5733.59 and 5747.66 of the Revised Code."

Between lines 83980 and 83981, insert:

" **Sec. 5733.59.** (A) Any term used in this section has the same meaning as in section 122.85 of the Revised Code.

(B) There is allowed a credit against the tax imposed by section 5733.06 of the Revised Code for any corporation that is the certificate owner of a tax credit certificate issued under section 122.85 of the Revised Code. The credit shall be claimed for the taxable year in which the certificate is issued by the director of development. The credit amount equals the amount stated in the certificate. The credit shall be claimed in the order required under section 5733.98 of the Revised Code. If the credit amount exceeds the tax otherwise due under section 5733.06 of the Revised Code after deducting all other credits in that order, the excess shall be refunded.

(C) If, pursuant to division (G) of section 5733.01 of the Revised Code, the corporation is not required to pay tax under this chapter, the corporation may file an annual report under section 5733.02 of the Revised Code and claim the credit authorized by this section. Nothing in this section allows a corporation to claim more than one credit per tax credit-eligible production."

In line 84061, after "Code" insert " ;

(36) The refundable motion picture production credit under section 5733.59 of the Revised Code"

In line 84063, delete " (35)" and insert " (36)"

Delete lines 87026 through 87048 and insert:

" **Sec. 5747.66.** (A) Any term used in this section has the same meaning as in section 122.85 of the Revised Code.

(B) There is allowed a credit against the tax imposed by section 5747.02 of the Revised Code for any individual who, on the last day of the individual's taxable year, is the certificate owner of a tax credit certificate issued under section 122.85 of the Revised Code. The credit shall be claimed for the taxable year that includes the date the certificate was issued by the director of development. The credit amount equals the amount stated in the certificate. The credit shall be claimed in the order required under section 5747.98 of the

Revised Code. If the credit amount exceeds the tax otherwise due under section 5747.02 of the Revised Code after deducting all other credits in that order, the excess shall be refunded.

Nothing in this section limits or disallows pass-through treatment of the credit."

Delete lines 87092 through 87186 and insert:

"**Sec. 5747.98.** (A) To provide a uniform procedure for calculating the amount of tax due under section 5747.02 of the Revised Code, a taxpayer shall claim any credits to which the taxpayer is entitled in the following order:

(1) The retirement income credit under division (B) of section 5747.055 of the Revised Code;

(2) The senior citizen credit under division (C) of section 5747.05 of the Revised Code;

(3) The lump sum distribution credit under division (D) of section 5747.05 of the Revised Code;

(4) The dependent care credit under section 5747.054 of the Revised Code;

(5) The lump sum retirement income credit under division (C) of section 5747.055 of the Revised Code;

(6) The lump sum retirement income credit under division (D) of section 5747.055 of the Revised Code;

(7) The lump sum retirement income credit under division (E) of section 5747.055 of the Revised Code;

(8) The low-income credit under section 5747.056 of the Revised Code;

(9) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;

(10) The campaign contribution credit under section 5747.29 of the Revised Code;

(11) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;

(12) The joint filing credit under division (G) of section 5747.05 of the Revised Code;

(13) The nonresident credit under division (A) of section 5747.05 of the Revised Code;

(14) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;

(15) The credit for employers that enter into agreements with child

day-care centers under section 5747.34 of the Revised Code;

(16) The credit for employers that reimburse employee child care expenses under section 5747.36 of the Revised Code;

(17) The credit for adoption of a minor child under section 5747.37 of the Revised Code;

(18) The credit for purchases of lights and reflectors under section 5747.38 of the Revised Code;

(19) The job retention credit under division (B) of section 5747.058 of the Revised Code;

(20) The credit for selling alternative fuel under section 5747.77 of the Revised Code;

(21) The second credit for purchases of new manufacturing machinery and equipment and the credit for using Ohio coal under section 5747.31 of the Revised Code;

(22) The job training credit under section 5747.39 of the Revised Code;

(23) The enterprise zone credit under section 5709.66 of the Revised Code;

(24) The credit for the eligible costs associated with a voluntary action under section 5747.32 of the Revised Code;

(25) The credit for employers that establish on-site child day-care centers under section 5747.35 of the Revised Code;

(26) The ethanol plant investment credit under section 5747.75 of the Revised Code;

(27) The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;

(28) The export sales credit under section 5747.057 of the Revised Code;

(29) The credit for research and development and technology transfer investors under section 5747.33 of the Revised Code;

(30) The enterprise zone credits under section 5709.65 of the Revised Code;

(31) The research and development credit under section 5747.331 of the Revised Code;

(32) The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;

(33) The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;

(34) The refundable jobs creation credit under division (A) of section

5747.058 of the Revised Code;

(35) The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;

(36) The refundable credits for taxes paid by a qualifying pass-through entity granted under division (J) of section 5747.08 of the Revised Code;

(37) The refundable credit for tax withheld under division (B)(1) of section 5747.062 of the Revised Code;

(38) The refundable credit under section 5747.80 of the Revised Code for losses on loans made to the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code ;

(39) The refundable motion picture production credit under section 5747.66 of the Revised Code.

(B) For any credit, except the refundable credits enumerated in ~~divisions (A)(33) to (38) of~~ this section and the credit granted under division (I) of section 5747.08 of the Revised Code, the amount of the credit for a taxable year shall not exceed the tax due after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized under the section creating that credit. Nothing in this chapter shall be construed to allow a taxpayer to claim, directly or indirectly, a credit more than once for a taxable year."

In line 106552, after "sections" insert "122.85,"

In line 219 of the title, after "5733.58," insert "5733.59,"

In line 412, delete "5721.03,"

Delete lines 82442 through 82541

In line 90914, delete "5721.03,"

In line 163 of the title, delete "5721.03,"

In line 430, after "149.308," insert "153.013,"

In line 454, after "5155.38," insert "5525.26,"

Between lines 15366 and 15367, insert:

" **Sec. 153.013.** If a project for the construction, alteration, or other improvement of a building or structure is administered by the director of administrative services or by another state agency authorized to administer a project under this chapter, if the project is located in a municipal corporation with a population of at least four hundred thousand that is in a county with a population of at least one million two hundred thousand, and if a political subdivision contributes at least one hundred thousand dollars to the project, then a contractor for the project shall comply with regulations or ordinances of the political subdivision that are in effect before July 1, 2009, and that specifically

relate to the employment of residents and local businesses of the political subdivision in the performance of the work of the project, and such ordinances or regulations shall be included by reference unambiguously in the contract between the administering state agency and the contractor for the project."

Between lines 80345 and 80346, insert:

" **Sec. 5525.26.** Except as provided in federal law, if a project for the construction, reconstruction, or other improvement to a road or highway is administered by the department of transportation or any local public authority authorized under division (C) of section 5501.03 of the Revised Code, if the project is located in a municipal corporation with a population of at least four hundred thousand that is in a county with a population of at least one million two hundred thousand, and if the project is funded with at least one hundred thousand dollars from a political subdivision, then a contractor for the project shall comply with regulations or ordinances of the political subdivision that are in effect before July 1, 2009, and that specifically relate to the employment of residents and local businesses of the political subdivision in the performance of the work of the project, and such ordinances or regulations shall be included by reference unambiguously in the contract between the department of transportation or public authority and the contractor for the project."

Between lines 106496 and 106497, insert:

The enactment of sections 153.013 and 5525.26 of the Revised Code takes effect January 1, 2010.

In line 188 of the title, after "149.308," insert "153.013,"

In line 217 of the title, after "5155.38," insert "5525.26,"

Between lines 105079 and 105080, insert:

"**Section 701.__.** (A) There is hereby created the Ohio Legislative Commission on the Education and Preservation of State History consisting of the following members:

(1) Three members of the Senate appointed by the President of the Senate, one of whom shall be from the minority party and be recommended by the Minority Leader of the Senate;

(2) Three members of the House of Representatives appointed by the Speaker of the House of Representatives, one of whom shall be from the minority party and be recommended by the Minority Leader of the House of Representatives;

(3) Three members appointed by the Governor who shall have specific knowledge regarding museum or archive management.

The Commission may appoint nonvoting members to the Commission who represent state agencies, educational institutions, or private organizations and who have expertise in museum or archive management.

(B)(1) Appointments shall be made to the Commission not later than thirty days after the effective date of this section. A member of the Senate appointed by and so designated by the President of the Senate shall be the chairperson of the Commission. A member of the House of Representatives appointed by and so designated by the Speaker of the House of Representatives shall be the vice-chairperson of the Commission. The Commission shall meet as often as necessary to carry out its duties and responsibilities. Members of the Commission shall serve without compensation.

(2) The Legislative Service Commission shall provide professional and technical support that is necessary for the Ohio Legislative Commission on the Education and Preservation of State History to perform its duties.

(C) The Ohio Legislative Commission on the Education and Preservation of State History shall do all of the following:

(1) Review the overall delivery of services and instruction on Ohio's history by organizations that have individually received in the previous two bienniums a total of at least one million dollars in funding through legislative appropriation for their operations. The review shall include a needs assessment with regard to each organization for all of the following:

(a) Historic sites owned or managed by the organization;

(b) Archives owned or maintained by the organization;

(c) Programs offered by the organization;

(d) The governance structure of the organization;

(e) A comparison of the organization's operations with the operations of organizations that are located inside and outside the state and that have similar functions.

(2) Following the review, make recommendations on all of the following:

(a) Improving the efficiency of the organizations;

(b) Alternative methods for the performance or discharge of state-mandated functions and other functions by the organizations;

(c) Best practices regarding governance structures for the organizations;

(d) Any other recommendations that the Commission determines to be necessary.

(3) Identify alternative public and private funding sources to support the organizations.

(D) The Commission shall issue a report of its findings and recommendations to the President of the Senate, the Speaker of the House of Representatives, and the Governor not later than July 1, 2010. Upon submission of the report, the Commission shall cease to exist."

In line 399, after "5107.17," insert "5107.78,"

Between lines 74524 and 74525, insert:

"**Sec. 5107.78.** ~~The department of job and family services shall include a notice with the following information with~~ With each cash assistance payment provided under Ohio works first to an assistance group residing in a county in which the computer system known as support enforcement tracking system is in operation ~~:~~

~~(A) The number of months the assistance group has participated in Ohio works first and the remaining number of months the assistance group may participate in the program as limited by section 5107.18 of the Revised Code;~~

~~(B) The~~ , the department of job and family services shall include a notice of the amount of support payments due a member of the assistance group that a child support enforcement agency collected and paid to the department pursuant to section 5107.20 of the Revised Code during the most recent month for which the department has this information."

In line 90901, after "5107.17," insert "5107.78,"

In line 146 of the title, after "5107.17," insert "5107.78,"

In line 399, after "5107.17," insert "5108.04, 5108.07,"

Between lines 74524 and 74525, insert:

"**Sec. 5108.04.** Each county department of job and family services shall adopt a written statement of policies governing the prevention, retention, and contingency program for the county. The statement of policies shall be adopted not later than October 1, 2003, and shall be updated at least every two years thereafter. A county department may amend its statement of policies to modify, terminate, and establish new policies. A county department also may amend its statement of policies to suspend operation of its prevention, retention, and contingency program temporarily. The county director of job and family services shall sign and date the statement of policies and any amendment to it. Neither the statement of policies nor any amendment to it may have an effective date that is earlier than the date of the county director's signature.

Each county department of job and family services shall provide the department of job and family services a written copy of the statement of policies and any amendments it adopts to the statement not later than ten calendar days after the statement or amendment's effective date.

Sec. 5108.07. (A) Each statement of policies adopted under section 5108.04 of the Revised Code shall include the board of county commissioners' certification that the county department of job and family services complied with this chapter in adopting the statement of policies.

(B) The board of county commissioners shall revise its certification under division (A) of this section if ~~an amendment to the statement of policies that~~ the

county department adopts an amendment under section 5108.04 of the Revised Code to suspend operation of its prevention, retention, and contingency program temporarily or any other amendment under that section the board considers to be significant ~~is adopted under section 5108.04 of the Revised Code~~."

In line 90901, after "5107.17," insert "5108.04, 5108.07,"

In line 146 of the title, after "5107.17," insert "5108.04, 5108.07,"

In line 394, delete "4774.02,"

Delete lines 71743 through 71766

In line 90896, delete "4774.02,"

In line 140 of the title, delete "4774.02,"

In line 59194, delete " The documents shall accompany the insurance"

Delete lines 59195 and 59196

In line 454, after "5123.193," insert "5123.197,"

In line 76035, after " 5123.193" insert " or 5123.197"

In line 76036, after " obtained" insert " or modified"

In line 76074, after " 5123.193" insert " or 5123.197"

In line 76075, after " obtained" insert " or modified"

In line 78931, after "5123.196," insert " 5123.197,"

In line 79214, delete " a" and insert " an initial or modified"

In line 79215, after " 5123.193" insert " or 5123.197"

Between lines 79420 and 79421, insert:

" **Sec. 5111.197.** Neither an applicant for an initial residential facility license under section 5123.19 of the Revised Code nor an applicant for a modification of an existing residential facility license under that section is required to obtain approval of a plan for the proposed new residential facility or modification to the existing residential facility pursuant to section 5123.042 of the Revised Code if all of the following apply:

(A) The new residential facility or modification to the existing residential facility is to serve individuals who have diagnoses or special care needs for which a medicaid reimbursement rate is set pursuant to section 5111.258 of the Revised Code;

(B) The directors of job and family services and mental retardation and developmental disabilities determine that there is a need under the medicaid program for the proposed new residential facility or modification to the existing residential facility and that approving the application for the initial residential facility license or modification to the existing residential facility license is fiscally prudent for the medicaid program;

(C) The director of budget and management notifies the directors of job and family services and mental retardation and developmental disabilities that the director of budget and management agrees with the directors' determination under division (B) of this section."

In line 99567, after "5123.193" insert "or 5123.197"

In line 99568, after "obtained" insert "or modified"

In line 106547, after "5123.193," insert "5123.197,"

In line 217 of the title, after "5123.193," insert "5123.197,"

In line 412, delete "5725.151,"

In line 413, after "5733.04," insert "5733.47,"

Delete lines 82542 through 82580

Between lines 83932 and 83933, insert:

"**Sec. 5733.47.** (A) As used in this section, "certificate owner" has the same meaning as in section 149.311 of the Revised Code.

(B) There is allowed a refundable credit against the tax imposed under section 5733.06 of the Revised Code for a taxpayer that is a certificate owner of a rehabilitation tax credit certificate issued under section 149.311 of the Revised Code. The credit shall equal twenty-five per cent of the dollar amount indicated on the certificate, but shall not exceed five million dollars. The credit shall be claimed for the tax year specified in the certificate and in the order required under section 5733.98 of the Revised Code. For purposes of making tax payments under this chapter, taxes equal to the amount of the refundable credit shall be considered to be paid to the state on the first day of the tax year.

(C) A taxpayer claiming a credit under this section shall retain the rehabilitation tax credit certificate for four years following the end of the tax year to which the credit was applied, and shall make the certificate available for inspection by the tax commissioner upon the request of the tax commissioner during that period.

(D) If, pursuant to division (G) of section 5733.01 of the Revised Code, a taxpayer no longer pays a tax under this chapter, the taxpayer may nonetheless file an annual report under section 5733.02 of the Revised Code and claim the refundable credit authorized by this section. Nothing in this division allows a taxpayer to claim the credit under this section more than once.

(E) Nothing in this section limits or disallows pass-through treatment of the credit if the certificate owner is a pass-through entity. If the certificate owner is a pass-through entity, the amount of the credit allowed for the entity shall not exceed five million dollars, and the credit may be allocated among the entity's equity owners in proportion to their ownership interests or in such proportions or amounts as the equity owners mutually agree."

In line 90914, delete "5725.151,"

In line 90916, after "5733.04," insert "5733.47,"

Delete lines 106418 through 106420

In line 106424, delete "section" and insert "sections 5733.47 and"

In line 106425, after "to" insert "credits claimed with respect to certificates issued in"

In line 163 of the title, delete "5725.151,"

In line 165 of the title, after "5733.04," insert "5733.47,"

In line 82592, after " ~~or~~" insert " and exclusive of payments received"; reinsert "pursuant to the medical assistance program established under"

In line 82593, reinsert "Chapter 5111. of the Revised Code"; after the reinserted "Code" insert " for the period ending September 30, 2009"; reinsert the comma

In line 82601, after " ~~or~~" insert " and exclusive of payments received"; reinsert "pursuant to the medical assistance program established under"

In line 82602, reinsert "Chapter 5111. of the Revised Code"; after the reinserted "Code" insert " for the period ending September 30, 2009"; reinsert the comma

Between lines 82611 and 82612 insert:

" Domestic insurance companies, including health insuring corporations, receiving payments pursuant to the medical assistance program established under Chapter 5111. of the Revised Code during the period beginning October 1, 2009, and ending December 31, 2009, shall file with the 2009 annual statement to the superintendent a schedule that reflects those payments received pursuant to the medical assistance program for that period. The payments reflected in the schedule, plus all other taxable premiums, are subject to the annual franchise tax due to be paid in 2010."

In line 83198, after " ~~or~~" insert " and exclusive of payments received"; reinsert "pursuant to the medical assistance"

In line 83199, reinsert "program established under Chapter 5111. of the Revised Code"; after the reinserted "Code" insert " for the period ending September 30, 2009"; reinsert the comma

In line 83205, after " ~~or~~" insert " and exclusive of payments received"; reinsert "pursuant to the"

In line 83206, reinsert "medical assistance program established under Chapter 5111. of the"

In line 83207, reinsert "Revised Code"; after the reinserted "Code" insert " for the period ending September 30, 2009"; reinsert the comma

In line 83213, after " ~~or~~" insert " and exclusive of payments received"; reinsert "pursuant to the medical assistance program"

In line 83214, reinsert "established under Chapter 5111. of the Revised Code"; after the reinserted "Code" insert " for the period ending September 30, 2009"; reinsert the comma

Between lines 83215 and 83216 insert:

" Each foreign insurance company, including health insuring corporations, receiving payments pursuant to the medical assistance program established under Chapter 5111. of the Revised Code during the period beginning October 1, 2009, and ending December 31, 2009, shall file with the 2009 annual statement to the superintendent a schedule that reflects those payments received pursuant to the medical assistance program for that period. The payments reflected in the schedule, plus all other taxable premiums, are subject to the annual franchise tax due to be paid in 2010."

Between lines 93707 and 93708, insert:

"**Section 259.__.__.** DIESEL EMISSIONS REDUCTION GRANT PROGRAM

Any unexpended and uncumbered balance of appropriation item 195697, Diesel Emissions Reduction Grants, remaining at the end of fiscal year 2009, less amounts encumbered by the Department of Transportation for reimbursement of public entities for fiscal year 2009, is hereby reappropriated to the Department of Development for the same purpose in fiscal year 2010. Total expenditures of both the Department of Development and the Department of Transportation for the Diesel Emissions Reduction Grant Program in fiscal year 2010 shall not exceed the reappropriated amount."

In line 103613, strike through "$21,000,000" and insert " $24,979,600"

In line 103617, strike through "$556,491,207" and insert " $560,470,807"

In line 103618, strike through "$556,491,207" and insert " $560,470,807"

In line 451, delete "5111.165,"

In line 60331, after " (9)" insert " Study alternative care management options for medicaid recipients who are not required to participate in the care management system established under section 5111.16 of the Revised Code;

(10)"

Delete lines 75764 through 75766

In line 75769, delete " The"

Delete lines 75770 through 75775

Delete lines 75859 through 75898

In line 213 of the title, delete "5111.165,"

In line 80346, delete " The" and insert " (1) In any county that as of January 1, 2009, had closed one or more roads as a result of grade separation failure at intersections of a turnpike project with a county or township road, the"

In line 80348, after the first " of" insert " such failed"; after " separations" delete the balance of the line

In line 80349, delete " county and township roads"

In line 80351, after " of" insert " such failed"

Between lines 80351 and 80352, insert:

" (2) This section does not apply to any grade separation at intersections of a turnpike project with a county or township road except as described in division (A)(1) of this section."

In line 93105, delete "$927,892 $927,892" and insert "$1,876,000 $1,876,000"

In line 93107, delete "$927,892 $927,892" and insert "$1,876,000 $1,876,000"

In line 93108, delete "$927,892 $927,892" and insert "$1,876,000 $1,876,000"

In line 95546, after "Management" insert ", with the approval of the Controlling Board,"

In line 95550, after the comma insert "to meet the maintenance of effort and use of funds provisions of the American Recovery and Reinvestment Act,"

In line 95551, delete "The Director shall"

Delete lines 95552 through 95554

In line 101313, after "Management" insert ", with the approval of the Controlling Board,"

In line 101318, after the comma insert "to meet the maintenance of effort and use of funds provisions of the American Recovery and Reinvestment Act,"

In line 101319, delete "The"

Delete lines 101320 through 101322

Between lines 102805 and 102806, insert:

"**Section ___.** TRANSFER AND ADJUSTMENT OF ARRA STATE FISCAL STABILIZATION FUND APPROPRIATIONS

The Director of Budget and Management, with the approval of Controlling Board, may transfer appropriation between GRF appropriation items within the budgets and between the budgets of agencies receiving funding from the State Fiscal Stabilization Fund – Government Services in each fiscal year upon the written request of the relevant agency, including transferring

appropriation between fiscal year 2010 and fiscal year 2011, if necessary to meet the maintenance of effort and use of funds provisions in the American Recovery and Reinvestment Act."

In line 13535, after "Code" insert " , except that it does not mean an employing unit with fifty or fewer employees"

In line 13539, delete " July 1, 2009" and insert " the effective date of this amendment"

In line 13546, delete " July 1, 2009" and insert " the effective date of this amendment"

In line 13549, delete " two" and insert " three"; after " hundred" insert " fifty"; delete " thirty" and insert " forty"

In line 13553, delete " July 1, 2009" and insert " the effective date of this amendment"

In line 13560, delete " July 1, 2009" and insert " the effective date of this amendment"

In line 13564, delete " two" and insert " three"; after " hundred" insert " fifty"; delete " thirty" and insert " forty"

In line 408, after "5139.43," insert "5153.163,"

Between lines 80086 and 80087, insert:

"**Sec. 5153.163.** (A) As used in this section, "adoptive parent" means, as the context requires, a prospective adoptive parent or an adoptive parent.

(B)(1) Before a child's adoption is finalized, a public children services agency ~~shall~~ may enter into an agreement with the child's adoptive parent under which the agency ~~shall~~ , to the extent state funds are available, may make state adoption maintenance subsidy payments as needed on behalf of the child when all of the following apply:

(a) The child is a child with special needs.

(b) The child was placed in the adoptive home by a public children services agency or a private child placing agency and may legally be adopted.

(c) The adoptive parent has the capability of providing the permanent family relationships needed by the child.

(d) The needs of the child are beyond the economic resources of the adoptive parent.

(e) Acceptance of the child as a member of the adoptive parent's family would not be in the child's best interest without payments on the child's behalf under this section.

(f) The gross income of the adoptive parent's family does not exceed one hundred twenty per cent of the median income of a family of the same size,

including the child, as most recently determined for this state by the secretary of health and human services under Title XX of the "Social Security Act," 88 Stat. 2337, 42 U.S.C.A. 1397, as amended.

(g) The child is not eligible for adoption assistance payments under Title IV-E of the "Social Security Act," 94 Stat. 501 (1980), 42 U.S.C.A. 671, as amended.

(2) State adoption maintenance subsidy payment agreements must be made by either the public children services agency that has permanent custody of the child or the public children services agency of the county in which the private child placing agency that has permanent custody of the child is located.

(3) State adoption maintenance subsidy payments shall be made in accordance with the agreement between the public children services agency and the adoptive parent and are subject to an annual redetermination of need.

(4) Payments under this division may begin either before or after issuance of the final adoption decree, except that payments made before issuance of the final adoption decree may be made only while the child is living in the adoptive parent's home. Preadoption payments may be made for not more than twelve months, unless the final adoption decree is not issued within that time because of a delay in court proceedings. Payments that begin before issuance of the final adoption decree may continue after its issuance.

(C)(1) If, after the child's adoption is finalized, a public children services agency considers a child residing in the county served by the agency to be in need of public care or protective services, the agency may, to the extent state funds are ~~appropriated~~ available for this purpose, enter into an agreement with the child's adoptive parent under which the agency ~~shall~~ may make post adoption special services subsidy payments on behalf of the child as needed when both of the following apply:

(a) The child has a physical or developmental handicap or mental or emotional condition that either:

(i) Existed before the adoption petition was filed; or

(ii) Developed after the adoption petition was filed and can be directly attributed to factors in the child's preadoption background, medical history, or biological family's background or medical history.

(b) The agency determines the expenses necessitated by the child's handicap or condition are beyond the adoptive parent's economic resources.

(2) Services for which a public children services agency may make post adoption special services subsidy payments on behalf of a child under this division shall include medical, surgical, psychiatric, psychological, and counseling services, including residential treatment.

(3) The department of job and family services shall establish clinical standards to evaluate a child's physical or developmental handicap or mental or

emotional condition and assess the child's need for services.

(4) The total dollar value of post adoption special services subsidy payments made on a child's behalf shall not exceed ten thousand dollars in any fiscal year, unless the department determines that extraordinary circumstances exist that necessitate further funding of services for the child. Under such extraordinary circumstances, the value of the payments made on the child's behalf shall not exceed fifteen thousand dollars in any fiscal year.

(5) The adoptive parent or parents of a child who receives post adoption special services subsidy payments shall pay at least five per cent of the total cost of all services provided to the child; except that a public children services agency may waive this requirement if the gross annual income of the child's adoptive family is not more than two hundred per cent of the federal poverty guideline.

(6) A public children services agency may use other sources of revenue to make post adoption special services subsidy payments, in addition to any state funds appropriated for that purpose.

(D) No payment shall be made under division (B) or (C) of this section on behalf of any person eighteen years of age or older beyond the end of the school year during which the person attains the age of eighteen or on behalf of a mentally or physically handicapped person twenty-one years of age or older.

(E) The director of job and family services shall adopt rules in accordance with Chapter 119. of the Revised Code that are needed to implement this section. The rules shall establish all of the following:

(1) The application process for all forms of assistance provided under this section;

(2) The method to determine the amount of assistance payable under division (B) of this section;

(3) The definition of "child with special needs" for this section;

(4) The process whereby a child's continuing need for services provided under division (B) of this section is annually redetermined;

(5) The method of determining the amount, duration, and scope of services provided to a child under division (C) of this section;

(6) Any other rule, requirement, or procedure the department considers appropriate for the implementation of this section.

(F) The state adoption special services subsidy program ceases to exist on July 1, 2004, except that, subject to the findings of the annual redetermination process established under division (E) of this section and the child's individual need for services, a public children services agency may continue to provide state adoption special services subsidy payments on behalf of a child for whom payments were being made prior to July 1, 2004.

(G) No public children services agency shall, pursuant to either section

2151.353 or 5103.15 of the Revised Code, place or maintain a child with special needs who is in the permanent custody of an institution or association certified by the department of job and family services under section 5103.03 of the Revised Code in a setting other than with a person seeking to adopt the child, unless the agency has determined and redetermined at intervals of not more than six months the impossibility of adoption by a person ~~listed pursuant to division (B), (C), or (D) of section 5103.154 of the Revised Code~~ who wishes to adopt children, and is approved by an agency so empowered under Chapter 5103. of the Revised Code, or by a person who wishes to adopt a child with special needs as defined in rules adopted under this section, and who is approved by an agency so empowered under Chapter 5103. of the Revised Code, including the impossibility of entering into a payment agreement with such a person. The agency so maintaining such a child shall report its reasons for doing so to the department of job and family services.

The department may take any action permitted under section 5101.24 of the Revised Code for an agency's failure to determine, redetermine, and report on a child's status."

In line 90911, after "5139.43," insert "5153.163,"

In line 106547, after "5123.193," insert "5153.163,"

In line 158 of the title, after "5139.43," insert "5153.163,"

In line 408, after "5139.43," insert "5153.163,"

Between lines 80086 and 80087, insert:

" (A) As used in this section, "adoptive parent" means, as the conte**Sec. 5153.163.** xt requires, a prospective adoptive parent or an adoptive parent.

(B)(1) Before a child's adoption is finalized, a public children services agency shall enter into an agreement with the child's adoptive parent under which the agency shall make state adoption maintenance subsidy payments as needed on behalf of the child when all of the following apply:

(a) The child is a child with special needs.

(b) The child was placed in the adoptive home by a public children services agency or a private child placing agency and may legally be adopted.

(c) The adoptive parent has the capability of providing the permanent family relationships needed by the child.

(d) The needs of the child are beyond the economic resources of the adoptive parent.

(e) Acceptance of the child as a member of the adoptive parent's family would not be in the child's best interest without payments on the child's behalf under this section.

(f) The gross income of the adoptive parent's family does not exceed one

hundred twenty per cent of the median income of a family of the same size, including the child, as most recently determined for this state by the secretary of health and human services under Title XX of the "Social Security Act," 88 Stat. 2337, 42 U.S.C.A. 1397, as amended.

(g) The child is not eligible for adoption assistance payments under Title IV-E of the "Social Security Act," 94 Stat. 501 (1980), 42 U.S.C.A. 671, as amended.

(2) State adoption maintenance subsidy payment agreements must be made by either the public children services agency that has permanent custody of the child or the public children services agency of the county in which the private child placing agency that has permanent custody of the child is located.

(3) State adoption maintenance subsidy payments shall be made in accordance with the agreement between the public children services agency and the adoptive parent and are subject to an annual redetermination of need.

(4) Payments under this division may begin either before or after issuance of the final adoption decree, except that payments made before issuance of the final adoption decree may be made only while the child is living in the adoptive parent's home. Preadoption payments may be made for not more than twelve months, unless the final adoption decree is not issued within that time because of a delay in court proceedings. Payments that begin before issuance of the final adoption decree may continue after its issuance.

(C)(1) If, after the child's adoption is finalized, a public children services agency considers a child residing in the county served by the agency to be in need of public care or protective services, the agency may, to the extent state funds are appropriated for this purpose, enter into an agreement with the child's adoptive parent under which the agency shall make post adoption special services subsidy payments on behalf of the child as needed when both of the following apply:

(a) The child has a physical or developmental handicap or mental or emotional condition that either:

(i) Existed before the adoption petition was filed; or

(ii) Developed after the adoption petition was filed and can be directly attributed to factors in the child's preadoption background, medical history, or biological family's background or medical history.

(b) The agency determines the expenses necessitated by the child's handicap or condition are beyond the adoptive parent's economic resources.

(2) Services for which a public children services agency may make post adoption special services subsidy payments on behalf of a child under this division shall include medical, surgical, psychiatric, psychological, and counseling services, including residential treatment.

(3) The department of job and family services shall establish clinical

standards to evaluate a child's physical or developmental handicap or mental or emotional condition and assess the child's need for services.

(4) The total dollar value of post adoption special services subsidy payments made on a child's behalf shall not exceed ten thousand dollars in any fiscal year, unless the department determines that extraordinary circumstances exist that necessitate further funding of services for the child. Under such extraordinary circumstances, the value of the payments made on the child's behalf shall not exceed fifteen thousand dollars in any fiscal year.

(5) The adoptive parent or parents of a child who receives post adoption special services subsidy payments shall pay at least five per cent of the total cost of all services provided to the child; except that a public children services agency may waive this requirement if the gross annual income of the child's adoptive family is not more than two hundred per cent of the federal poverty guideline.

(6) A public children services agency may use other sources of revenue to make post adoption special services subsidy payments, in addition to any state funds appropriated for that purpose.

(D) No payment shall be made under division (B) or (C) of this section on behalf of any person eighteen years of age or older beyond the end of the school year during which the person attains the age of eighteen or on behalf of a mentally or physically handicapped person twenty-one years of age or older.

(E) The director of job and family services shall adopt rules in accordance with Chapter 119. of the Revised Code that are needed to implement this section. The rules shall establish all of the following:

(1) The application process for all forms of assistance provided under this section;

(2) The method to determine the amount of assistance payable under division (B) of this section;

(3) The definition of "child with special needs" for this section;

(4) The process whereby a child's continuing need for services provided under division (B) of this section is annually redetermined;

(5) The method of determining the amount, duration, and scope of services provided to a child under division (C) of this section;

(6) Any other rule, requirement, or procedure the department considers appropriate for the implementation of this section.

(F) The state adoption special services subsidy program ceases to exist on July 1, 2004, except that, subject to the findings of the annual redetermination process established under division (E) of this section and the child's individual need for services, a public children services agency may continue to provide state adoption special services subsidy payments on behalf of a child for whom payments were being made prior to July 1, 2004.

(G) No public children services agency shall, pursuant to either section 2151.353 or 5103.15 of the Revised Code, place or maintain a child with special needs who is in the permanent custody of an institution or association certified by the department of job and family services under section 5103.03 of the Revised Code in a setting other than with a person seeking to adopt the child, unless the agency has determined and redetermined at intervals of not more than six months the impossibility of adoption by a person ~~listed pursuant to division (B), (C), or (D) of section 5103.154 of the Revised Code~~ who wishes to adopt children, and is approved by an agency so empowered under Chapter 5103. of the Revised Code, or by a person who wishes to adopt a child with special needs as defined in rules adopted under this section, and who is approved by an agency so empowered under Chapter 5103. of the Revised Code, including the impossibility of entering into a payment agreement with such a person. The agency so maintaining such a child shall report its reasons for doing so to the department of job and family services.

The department may take any action permitted under section 5101.24 of the Revised Code for an agency's failure to determine, redetermine, and report on a child's status."

In line 90911, after "5139.43," insert "5153.163,"

In line 90950, after "5101.072," insert "5103.154,"

In line 158 of the title, after "5139.43," insert "5153.163,"

In line 243 of the title, after "5101.072," insert "5103.154,"

Between lines 101716 and 101717, insert:

"**Section 385.40.** SURVEY OF COMMUNITY SPACE

The Executive Director of the Ohio School Facilities Commission shall survey classroom facilities projects financed by the Commission under Chapter 3318. of the Revised Code and compile descriptions of how spaces within those facilities are used for activities, services, and programs shared between schools and other public and private entities in their communities. The Executive Director shall identify and describe such spaces included in current or completed projects and shall recommend best practices for enhancing opportunities for including shared community spaces in future projects. The Executive Director shall submit the survey and recommendations to the Commission not later than December 31, 2009."

Between lines 106510 and 106511, insert:

"The amendments by this act to sections 3319.391 and 3327.10 of the Revised Code take effect January 1, 2010."

Between lines 106601 and 106602, insert:

"**Section 812.___.** (A) The amendments by this act to sections 109.57, 109.572, and 3319.291 of the Revised Code are subject to the referendum.

Except as otherwise provided in division (B) of this section, the amendments take effect on the ninety-first day after this act is filed with the Secretary of State.

(B) The following amendments take effect January 1, 2010:

(1) The amendment creating division (F)(2)(c) of section 109.57 of the Revised Code and the amendment to division (F)(4) of that section;

(2) The amendment to division (B)(2) of section 109.572 of the Revised Code;

(3) All of the amendments to section 3319.291 of the Revised Code except the amendments to divisions (A)(3) and (4) of that section."

In line 438, after "3304.182," insert "3306.29, 3306.291, 3306.292,"

Between lines 35657 and 35658, insert:

" **Sec. 3306.29.** (A) The Ohio school funding advisory council is hereby established. The council shall consist of the following members:

(1) The governor, or the governor's designee;

(2) The superintendent of public instruction, or the superintendent's designee;

(3) The chancellor of the Ohio board of regents, or the chancellor's designee;

(4) Two school district teachers, appointed by the governor;

(5) Two nonteaching, nonadministrative school district employees, appointed by the governor;

(6) One school district principal, appointed by the speaker of the house of representatives;

(7) One school district superintendent, appointed by the president of the senate;

(8) One school district treasurer, appointed by the speaker of the house of representatives;

(9) One member of a school district board, appointed by the president of the senate;

(10) One representative of a college of education, appointed by the speaker of the house of representatives;

(11) One representative of the business community, appointed by the president of the senate;

(12) One representative of a philanthropic organization, appointed by the speaker of the house of representatives;

(13) One representative of the Ohio academy of science, appointed by the

president of the senate;

(14) One representative of the general public, appointed by the president of the senate;

(15) One representative of educational service centers, appointed by the speaker of the house of representatives;

(16) One parent of a student attending a school operated by a school district, appointed by the governor;

(17) One representative of community school sponsors, appointed by the governor;

(18) One representative of operators of community schools, appointed by the president of the senate;

(19) One community school fiscal officer, appointed by the speaker of the house of representatives;

(20) One parent of a student attending a community school, appointed by the president of the senate;

(21) One representative of early childhood education providers, appointed by the governor;

(22) One representative of chartered nonpublic schools, appointed by the speaker of the house of representatives;

(23) Two persons appointed by the president of the senate, one of whom shall be recommended by the minority leader of the senate;

(24) Two persons appointed by the speaker of the house of representatives, one of whom shall be recommended by the minority leader of the house of representatives.

The members shall serve without compensation.

(B) The superintendent of public instruction, or the superintendent's designee to the council, shall be the chairperson of the council.

The department of education shall provide staffing assistance to the council.

(C) Not later than December 1, 2010, and the first day of July of each even-numbered year thereafter, the council shall present to the state board of education, the general assembly, in accordance with section 101.68 of the Revised Code, and the public recommendations for revisions to the educational adequacy components of the school funding model established under this chapter.

(1) The recommendations shall be based on current, high quality research, information provided by school districts, and best practices in operational efficiencies.

(2) In preparing its recommendations due December 1, 2010, the council's analyses shall include, but shall not be limited to, the adequacy of the model's financing for special education, gifted education services, career-technical education, arts education, services for limited English proficient students, and early college high schools. This analysis shall consider, for each area, current educational need, current educational practices, and best practices. In its December 1, 2010, report the council also shall include all of the following:

(a) Recommendations for a student-centered evidence-based model for schools that uses a per pupil level of funding to follow a student to the school that best meets the student's individual learning needs;

(b) A study of the extent to which current funding for joint vocational school districts and compact and comprehensive career-technical schools is responsive to state, regional, and local business and industry needs, and recommendations for revisions to career-technical education programming and funding;

(c) A study of the extent to which the current educational service center system supports school districts in academic achievement, teacher quality, shared educational services, and the purchasing of educational services and commodities, and recommendations for a new regional service delivery system, the educational service system governance structure, and accountability metrics for educational service centers;

(d) An examination of the existing structures and systems that support compensation and retirement benefits for teachers, and recommendations for changes to the systems of teacher compensation and retirement benefits to improve the connections between teacher compensation, teaching excellence, and higher levels of student learning;

(e) A consideration of whether community schools and STEM schools should be subject to the expenditure and reporting standards adopted under section 3306.25 of the Revised Code and the accountability requirements of sections 3306.30 to 3306.40 of the Revised Code;

(f) An analysis of the effects of open enrollment on students and school districts, and recommendations for ensuring that open enrollment policy and financing is equitable for students and school districts.

(3) In preparing its recommendations due December 1, 2010, and in subsequent biennia, the council's analyses may address, but need not be limited to, any of the following:

(a) Strategies and incentives to promote school cost-saving measures and efficiencies;

(b) Options for adding learning time to the learning year, such as moving professional development for educators to summer, adding learning time for children with greater educational needs, accounting for learning time by hours

instead of days, and appropriate compensation to school districts and staff for providing additional learning time;

(c) The adequacy of the model's accounting for and financing of operational costs, including district-level administration and administrative and transportation challenges experienced by low-density and low-wealth school districts, and the effect of those costs on student academic achievement;

(d) The accuracy of the calculation of each component of the funding model, and of the model as a whole, in light of current educational needs, current educational practices, and best practices;

(e) Options to encourage school districts and schools already attaining excellent ratings under section 3302.03 of the Revised Code to go beyond state standards and aspire to higher international norms.

Sec. 3306.291. (A) A subcommittee of the Ohio school funding advisory council is hereby established to study and make recommendations to foster collaboration between school districts and community schools established under Chapter 3314. of the Revised Code. The subcommittee shall recommend fiscal strategies, including changes to the funding model established under this chapter, that will provide incentives and compensation for Ohio school districts and community schools to enter into collaborative agreements that result in creative and innovative academic programming for students and academic and fiscal efficiency. The subcommittee shall report its findings and recommendations to the council and, in accordance with section 101.68 of the Revised Code, the general assembly not later than September 1, 2010, and periodically thereafter at the direction of the superintendent of public instruction.

(B) The subcommittee shall consist of the following members of the council:

(1) The school district superintendent;

(2) The school district treasurer;

(3) One of the school district teachers, selected by the superintendent of public instruction;

(4) The member representing a college of education;

(5) The member representing sponsors of community schools;

(6) The member representing operators of community schools;

(7) The community school fiscal officer;

(8) The parent of a student attending a community school;

(9) The parent of a student attending a school operated by a school district.

The members of the subcommittee shall serve without compensation.

Sec. 3306.292. The Ohio school funding advisory council may establish subcommittees in addition to the subcommittee established under section 3306.291 of the Revised Code. The council shall determine the membership and duties of the additional subcommittees. Up to one-half of the members of each additional subcommittee may be individuals who are not members of the council."

Delete lines 94890 through 94997

In line 106538, after "3301.95," insert "3306.29, 3306.291, 3306.292,"

In line 198 of the title, after "3304.182," insert "3306.29, 3306.291, 3306.292,"

In line 302, after "124.183," insert "124.22,"

Between lines 10819 and 10820, insert:

"**Sec. 124.22.** Rules establishing educational requirements as a condition of taking a civil service examination shall only be adopted with respect to positions for which educational requirements are expressly imposed by a section of the Revised Code or federal requirements or for which the director determines that the educational requirements are job-related. An applicant for a civil service examination must be a United States citizen or have ~~legally declared the intention of becoming a United States citizen~~ a valid permanent resident card."

In line 11278, after the second "of" insert " more than"; strike through "or more"

In line 11280, after "of" insert " more than"; strike through "or more"

In line 11282, after the first "of" insert " more than"; strike through "or more"

In line 11284, after the first "of" insert " more than"; strike through "or more"

In line 90804, after "124.183," insert "124.22,"

In line 12 of the title, after "124.183," insert "124.22,"

In line 442, after "3333.91," insert "3353.20,"

Between lines 46267 and 46268, insert:

" **Sec. 3353.20.** (A) The eTech Ohio commission shall develop and implement an interactive distance learning pilot project to provide, beginning with the 2009-2010 school year, access to at least three interactive distance learning courses in each school year free of charge for all high schools operated by school districts. The courses offered shall include two advanced placement courses and one foreign language course.

The commission shall do all of the following:

(1) Contract for the development and offering of interactive distance

learning courses;

(2) Produce and broadcast the courses offered by the pilot project;

(3) Provide the funds for schools to purchase video conferencing telecommunications equipment and connectivity devices, if necessary, so that the schools may participate in the pilot project;

(4) Assist schools in arranging for the purchase and installation of telecommunications equipment and connectivity devices, if necessary, so that the schools may participate in the pilot project;

(5) Pay, for up to one school year, the cost of upgrading internet service for schools that currently have a connection not faster than 1.544 megabits per second;

(6) Offer training in the use of the telecommunications equipment necessary to participate in the pilot project;

(7) Administer and oversee the operation of the pilot project.

(B) The department of education, in consultation with the chancellor of the Ohio board of regents, shall select courses to be offered by the pilot project and shall develop the standards for the curriculum of each course selected.

(C) The commission and the department jointly, and in consultation with the chancellor, shall select the teachers to develop and teach the courses offered by the pilot project.

(D) The commission, the department, and the chancellor jointly shall notify schools of and promote participation in the pilot project.

(E) Each high school shall determine the manner in which and facilities at which students may participate in courses consistent with specifications for technology and connectivity required by the commission.

(F) The grade for a student enrolled in a course offered through the pilot project shall be assigned by the course teacher and shall be transmitted to the student's high school.

(G) Not later than December 31, 2010, the superintendent of public instruction, the chancellor, and the commission shall submit to the governor and the general assembly, in accordance with section 101.68 of the Revised Code, a formative evaluation of the implementation and results of and legislative recommendations for changes in the pilot project."

Between lines 95096 and 95097, insert:

"**Section _____.** EDUCATION TECHNOLOGY

(A) As used in this section, "eligible entity" means an "eligible local entity" for purposes of the "Enhancing Education Through Technology Act of 2001," as defined in 20 U.S.C. 6753.

(B) Notwithstanding anything in section 3353.20 of the Revised Code to the contrary, for fiscal years 2010 and 2011, the interactive distance learning pilot project required by that section shall be developed and administered only as prescribed by this section.

Of the foregoing appropriation item 200641, Education Technology, the Department of Education, in each fiscal year, shall use the lesser of one-half of the amount of federal funds allocated to the state for the fiscal year as an Education Technology State Grant (CFDA 84.318) or $4,500,000 in collaboration with the eTech Ohio Commission to provide grants on a competitive basis to eligible entities for their participation in the interactive distance learning pilot project.

An amount equal to the unexpended, unencumbered portion of this set aside at the end of fiscal year 2010 is hereby reappropriated to the Department of Education for fiscal year 2011 to provide grants under this section.

(1) The Department and the Commission shall enter into a memorandum of understanding giving the Commission the authority to set the grant criteria and to select the grant recipients and giving the Department all federal monitoring and compliance responsibilities. The memorandum of understanding also shall specify all of the following:

(a) Administrative functions to be provided by each of the Department and the Commission and the distribution between the Department and the Commission of the costs associated with those functions;

(b) The process that the Department shall use to draw down and transfer the funds necessary under this section in accordance with the "Cash Management Improvement Act of 1990," 31 U.S.C. 6501 et seq. to support the Commission in its functions;

(c) The amount that may be used for administration of the pilot project is limited to not more than five per cent of the total amount expended under this section.

The memorandum of understanding shall comply with all relevant federal guidelines and regulations.

(2) The Commission shall issue a request for proposals for awards to be issued before or during the 2009-2010 academic year.

(3) The Commission shall limit the number of grants so that each grant recipient receives an amount that is sufficient to ensure full participation in the program. The Commission shall endeavor to award grants in a manner that ensures diversity among grant recipients according to geographical regions, economic scale, and school district size.

(4) In awarding grants under this section, the Commission shall give priority to the following:

(a) School districts for which advanced placement or foreign language

course offerings make up less than one per cent of the district's total course offerings;

(b) Schools and school districts that without additional assistance lack the necessary connectivity to offer interactive distance learning courses;

(c) Schools and school districts that demonstrate commitment to appropriately supporting distance learning offerings, as determined satisfactory by the Commission, including but not limited to:

(i) Enrolling a minimum number of students to participate in the distance learning classes;

(ii) Committing the necessary personnel to facilitate and assist students with distance learning classes;

(iii) Committing the necessary personnel capable of operating distance learning equipment.

(d) Schools and school districts that without additional assistance lack the necessary equipment to offer interactive distance learning courses;

(e) School districts that demonstrate that the course offerings will take place during the regular school day.

(C) In implementing this section, the Commission shall do all of the following:

(1) Solicit all eligible entities to participate in the program;

(2) Require twenty-five per cent of any grant award to be used for professional development. This professional development shall include at least one component of training in the classroom. It also shall include any training conducted by the Commission that the Commission deems necessary to participate in the program.

(3) Require that eligible entities awarded grants under this section use a percentage of their respective grant awards to contract with a vendor selected by the Commission for the development and offering of interactive distance learning courses;

(4) Require each eligible entity submitting a proposal to specify the amount, if any, needed to purchase video conferencing telecommunications equipment and connectivity devices and the cost of upgrading the school.

(5) Require each eligible entity submitting a proposal to specify the amount needed to upgrade its Internet service, if the school currently has a connection slower than 1.544 Mbits per second;

(6) Assist eligible entities awarded grants in arranging for the purchase and installation of telecommunications equipment and connectivity devices.

(D) In the development of, administration of, oversight of, and award of funds for the program, the Commission shall not be obligated for more than the

amount appropriated.

(E) In fiscal years 2010 and 2011, no school that is not an eligible entity shall be entitled to the items specified in divisions (A)(3) to (5) of section 3353.20 of the Revised Code. However, any student, teacher, or other school employee of a public or nonpublic school that is not awarded a grant under this section may participate in the interactive distance learning pilot project, as long as such participation does not impose an additional cost to the state, does not diminish the quality of project outcomes for those entities that are awarded grants, and aligns with federal regulations and guidelines.

(F) The Superintendent of Public Instruction, the Chancellor of the Board of Regents, and the Commission shall submit the formative evaluation prescribed by division (G) of section 3353.20 of the Revised Code."

In line 106542, after "3345.32," insert "3353.20,"

In line 202 of the title, after "3333.91," insert "3353.20,"

Delete lines 49648 through 49676 and insert " If the director of environmental protection determines that implementation of a motor vehicle inspection and maintenance program is necessary for the state to effectively comply with the federal Clean Air Act after June 30, 2009, the director may provide for the implementation of the program in those counties in this state in which such a program is federally mandated. Upon making such a determination, the director of environmental protection may request the director of administrative services to extend the terms of the contract that was entered into under the authority of Section 7 of Am. Sub. H.B. 24 of the 127th general assembly. Upon receiving the request, the director of administrative services shall extend the contract, beginning on July 1, 2009, in accordance with this section. The contract shall be extended for a period of up to six months with the contractor who conducted the motor vehicle inspection and maintenance program under that contract.

(2) Prior to the expiration of the contract extension that is authorized by division (A)(1) of this section, the director of environmental protection may request the director of administrative services to enter into a contract with a vendor to operate a motor vehicle inspection and maintenance program in each county in this state in which such a program is federally mandated through June 30, 2011, with an option for the state to renew the contract through June 30, 2012. The contract shall ensure that the motor vehicle inspection and maintenance program achieves at least the same ozone precursor reductions as achieved by the program operated under the authority of the contract that was extended under division (A)(1) of this section. The director of administrative services shall select a vendor through a competitive selection process in compliance with Chapter 125. of the Revised Code."

In line 49709, delete everything after " (4)"

Delete lines 49710 through 49712

In line 49713, delete " (5)"

Delete lines 49789 through 49829

In line 41087, after the first "the" insert " sum of the"; after "district" insert " under divisions (A)(1) and (2) of section 3317.021 of the Revised Code"

In line 41088, strike through everything after "years"

In line 41089, strike through everything before the period

In line 41091, after " of" insert " the sum of"; after " district" insert " under division (A)(1) and as public utility personal property under division (A)(2) of section 3317.021 of the Revised Code"

In line 41092, delete " under" and insert an underlined period

Delete line 41093

In line 41114, delete " ,on August 31, 2005,"

In line 41115, delete the underlined comma

In line 41116, after " Code" insert " for tax year 2005, excluding the taxable value of public utility personal property"

In line 41117, delete everything after " value" and insert " for tax year 2005 as certified under that section."

Delete line 41118

In line 396, after "5101.162," insert "5101.24,"

Between lines 73468 and 73469, insert:

"**Sec. 5101.24.** (A) As used in this section, "responsible county grantee" means whichever county grantee, as defined in section 5101.21 of the Revised Code, the director of job and family services determines is appropriate to take action against under division (C) of this section.

(B) Regardless of whether a family services duty is performed by a county family services agency, private or government entity pursuant to a contract entered into under section 307.982 of the Revised Code or division (C)(2) of section 5153.16 of the Revised Code, or private or government provider of a family service duty, the department of job and family services may take action under division (C) of this section against the responsible county grantee if the department determines any of the following are the case:

(1) A requirement of a grant agreement entered into under section 5101.21 of the Revised Code that includes a grant for the family services duty, including a requirement for grant agreements established by rules adopted under that section, is not complied with;

(2) A county family services agency fails to develop, submit to the department, or comply with a corrective action plan under division (B) of section

5101.221 of the Revised Code, or the department disapproves the agency's corrective action plan developed under division (B) of section 5101.221 of the Revised Code;

(3) A requirement for the family services duty established by the department or any of the following is not complied with: a federal or state law, state plan for receipt of federal financial participation, grant agreement between the department and a federal agency, or executive order issued by the governor;

(4) The responsible county grantee is solely or partially responsible, as determined by the director of job and family services, for an adverse audit finding, adverse quality control finding, final disallowance of federal financial participation, or other sanction or penalty regarding the family services duty.

(C) The department may take one or more of the following actions against the responsible county grantee when authorized by division (B)(1), (2), (3), or (4) of this section:

(1) Require the responsible county grantee to comply with a corrective action plan pursuant to a time schedule specified by the department. The corrective action plan shall be established or approved by the department and shall not require a county grantee to commit resources to the plan.

(2) Require the responsible county grantee to comply with a corrective action plan pursuant to a time schedule specified by the department. The corrective action plan shall be established or approved by the department and require a county grantee to commit to the plan existing resources identified by the agency.

(3) Require the responsible county grantee to do one of the following:

(a) Share with the department a final disallowance of federal financial participation or other sanction or penalty;

(b) Reimburse the department the final amount the department pays to the federal government or another entity that represents the amount the responsible county grantee is responsible for of an adverse audit finding, adverse quality control finding, final disallowance of federal financial participation, or other sanction or penalty issued by the federal government, auditor of state, or other entity;

(c) Pay the federal government or another entity the final amount that represents the amount the responsible county grantee is responsible for of an adverse audit finding, adverse quality control finding, final disallowance of federal financial participation, or other sanction or penalty issued by the federal government, auditor of state, or other entity;

(d) Pay the department the final amount that represents the amount the responsible county grantee is responsible for of an adverse audit finding or adverse quality control finding.

(4) Impose an administrative sanction issued by the department against

the responsible county grantee. A sanction may be increased if the department has previously taken action against the responsible entity under this division.

(5) Perform, or contract with a government or private entity for the entity to perform, the family services duty until the department is satisfied that the responsible county grantee ensures that the duty will be performed satisfactorily. If the department performs or contracts with an entity to perform a family services duty under division (C)(5) of this section, the department may do either or both of the following:

(a) Spend funds in the county treasury appropriated by the board of county commissioners for the duty;

(b) Withhold funds allocated or reimbursements due to the responsible county grantee for the duty and spend the funds for the duty.

(6) Request that the attorney general bring mandamus proceedings to compel the responsible county grantee to take or cease the action that causes division (B)(1), (2), (3), or (4) of this section to apply. The attorney general shall bring mandamus proceedings in the Franklin county court of appeals at the department's request.

(7) If the department takes action under this division because of division (B)(3) of this section, temporarily withhold funds allocated or reimbursement due to the responsible county grantee until the department determines that the responsible county grantee is in compliance with the requirement. The department shall release the funds when the department determines that compliance has been achieved.

(D) If the department proposes to take action against the responsible county grantee under division (C) of this section, the department shall notify the responsible county grantee, director of the appropriate county family services agency, and county auditor. The notice shall be in writing and specify the action the department proposes to take. The department shall send the notice by regular United States mail.

Except as provided by division (E) of this section, the responsible county grantee may request an administrative review of a proposed action in accordance with administrative review procedures the department shall establish. The administrative review procedures shall comply with all of the following:

(1) A request for an administrative review shall state specifically all of the following:

(a) The proposed action specified in the notice from the department for which the review is requested;

(b) The reason why the responsible county grantee believes the proposed action is inappropriate;

(c) All facts and legal arguments that the responsible county grantee wants the department to consider;

(d) The name of the person who will serve as the responsible county grantee's representative in the review.

(2) If the department's notice specifies more than one proposed action and the responsible county grantee does not specify all of the proposed actions in its request pursuant to division (D)(1)(a) of this section, the proposed actions not specified in the request shall not be subject to administrative review and the parts of the notice regarding those proposed actions shall be final and binding on the responsible county grantee.

(3) In the case of a proposed action under division (C)(1) of this section, the responsible county grantee shall have fifteen calendar days after the department mails the notice to the responsible county grantee to send a written request to the department for an administrative review. If it receives such a request within the required time, the department shall postpone taking action under division (C)(1) of this section for fifteen calendar days following the day it receives the request or extended period of time provided for in division (D)(5) of this section to allow a representative of the department and a representative of the responsible county grantee an informal opportunity to resolve any dispute during that fifteen-day or extended period.

(4) In the case of a proposed action under division (C)(2), (3), (4), (5), or (7) of this section, the responsible county grantee shall have thirty calendar days after the department mails the notice to the responsible county grantee to send a written request to the department for an administrative review. If it receives such a request within the required time, the department shall postpone taking action under division (C)(2), (3), (4), (5), or (7) of this section for thirty calendar days following the day it receives the request or extended period of time provided for in division (D)(5) of this section to allow a representative of the department and a representative of the responsible county grantee an informal opportunity to resolve any dispute during that thirty-day or extended period.

(5) If the informal opportunity provided in division (D)(3) or (4) of this section does not result in a written resolution to the dispute within the fifteen- or thirty-day period, the director of job and family services and representative of the responsible county grantee may enter into a written agreement extending the time period for attempting an informal resolution of the dispute under division (D)(3) or (4) of this section.

(6) In the case of a proposed action under division (C)(3) of this section, the responsible county grantee may not include in its request disputes over a finding, final disallowance of federal financial participation, or other sanction or penalty issued by the federal government, auditor of state, or entity other than the department.

(7) If the responsible county grantee fails to request an administrative review within the required time, the responsible county grantee loses the right to request an administrative review of the proposed actions specified in the notice and the notice becomes final and binding on the responsible county grantee.

(8) If the informal opportunity provided in division (D)(3) or (4) of this section does not result in a written resolution to the dispute within the time provided by division (D)(3), (4), or (5) of this section, the director shall appoint an administrative review panel to conduct the administrative review. The review panel shall consist of department employees and one director or other representative of the type of county family services agency that is responsible for the kind of family services duty that is the subject of the dispute and serves a different county than the county served by the responsible county grantee. No individual involved in the department's proposal to take action against the responsible county grantee may serve on the review panel. The review panel shall review the responsible county grantee's request. The review panel may require that the department or responsible county grantee submit additional information and schedule and conduct an informal hearing to obtain testimony or additional evidence. A review of a proposal to take action under division (C)(3) of this section shall be limited solely to the issue of the amount the responsible county grantee shall share with the department, reimburse the department, or pay to the federal government, department, or other entity under division (C)(3) of this section. The review panel is not required to make a stenographic record of its hearing or other proceedings.

(9) After finishing an administrative review, an administrative review panel appointed under division (D)(8) of this section shall submit a written report to the director setting forth its findings of fact, conclusions of law, and recommendations for action. The director may approve, modify, or disapprove the recommendations. If the director modifies or disapproves the recommendations, the director shall state the reasons for the modification or disapproval and the actions to be taken against the responsible county grantee.

(10) The director's approval, modification, or disapproval under division (D)(9) of this section shall be final and binding on the responsible county grantee and shall not be subject to further departmental review.

(E) The responsible county grantee is not entitled to an administrative review under division (D) of this section for any of the following:

(1) An action taken under division (C)(6) of this section;

(2) An action taken under section 5101.242 of the Revised Code;

(3) An action taken under division (C)(3) of this section if the federal government, auditor of state, or entity other than the department has identified the responsible county grantee as being solely or partially responsible for an adverse audit finding, adverse quality control finding, final disallowance of federal financial participation, or other sanction or penalty;

(4) An adjustment to an allocation, cash draw, advance, or reimbursement to a responsible county grantee that the department determines necessary for budgetary reasons;

(5) Withholding of a cash draw or reimbursement due to noncompliance

with a reporting requirement established in rules adopted under section 5101.243 of the Revised Code ;

(6) An action taken under division (C)(5) of this section if the department determines that an emergency exists.

(F) This section does not apply to other actions the department takes against the responsible county grantee pursuant to authority granted by another state law unless the other state law requires the department to take the action in accordance with this section.

(G) The director of job and family services may adopt rules in accordance with Chapter 119. of the Revised Code as necessary to implement this section."

In line 90898, after "5101.162," insert "5101.24,"

In line 142 of the title, after "5101.162," insert "5101.24,"

Between lines 96087 and 96088, insert:

"PAYROLL WITHHOLDING FUND TRANSFER

On July 1, 2009, or as soon as possible thereafter, the Director of Budget and Management shall transfer $33,065.48 from the Payroll Withholding Fund (Fund 1240) to the General Revenue Fund. This amount represents the remaining balance in the Manual Emergency Payroll Account. After the transfer is completed, the Manual Emergency Payroll Account shall be closed."

In line 93167, delete "$4,356,424 $4,356,424" and insert "$8,400,000 $3,800,000"

In line 93179, add $4,043,576 to fiscal year 2010 and subtract $556,424 from fiscal year 2011

In line 93204, add $4,043,576 to fiscal year 2010 and subtract $556,424 from fiscal year 2011

In line 93680, delete "$6,100,000" and insert "$8,400,000"

In line 93688, delete "$6,100,000" and insert "$3,800,000"

In line 35604, delete " ten" and insert " thirteen"

In line 35607, delete " six" and insert " three"

In line 98902, delete "$301,087 $301,087" and insert "$380,000 $383,000"

In line 98904, add $78,913 to fiscal year 2010 and $81,913 to fiscal year 2011

In line 98905, add $78,913 to fiscal year 2010 and $81,913 to fiscal year 2011

In line 99629, delete the first "$772,011" and insert "$1,072,011"

In line 99631, add $300,000 to fiscal year 2010

In line 99652, delete "$6,000,000 $6,000,000" and insert "$7,200,000 $7,200,000"

In line 99654, delete "$29,885,528 $29,885,528" and insert "$31,885,528 $31,885,528"

In line 99655, delete "$757,113 $757,113" and insert "$1,074,113 $974,113"

In line 99656, delete "$2,574,378 $2,574,378" and insert "$2,974,378 $2,974,378"

In line 99660, delete "$1,932,491 $1,932,491" and insert "$3,267,587 $3,364,361"

In line 99677, add $5,252,096 to fiscal year 2010 and $5,248,870 to fiscal year 2011

In line 99708, add $5,552,096 to fiscal year 2010 and $5,248,870 to fiscal year 2011

Between lines 91570 and 91571, insert:

"**Section 207.20.30.** BROADBAND OHIO

Any unencumbered, unexpended amounts of the foregoing appropriation item 100607, IT Services Delivery, that were allocated for implementation of the NextGen Network in fiscal years 2008 and 2009, and are necessary for the continuation of the Connect Ohio contract in fiscal years 2010 and 2011, are hereby reappropriated for the same purpose in fiscal years 2010 and 2011."

In line 103703, after "103.80.90," insert "301.10.50,"

Between lines 103736 and 103736a, insert:

"**Sec. 301.10.50.** THIRD FRONTIER PROJECT

The foregoing appropriation item C23506, Third Frontier Project, shall be used to acquire, renovate, or construct facilities and purchase equipment for research programs, technology development, product development, and commercialization programs at or involving state-supported and state-assisted institutions of higher education. The funds shall be used to make grants awarded on a competitive basis, and shall be administered by the Third Frontier Commission. Expenditure of these funds shall comply with Section 2n of Article VIII, Ohio Constitution, and sections 151.01 and 151.04 of the Revised Code for the period beginning July 1, 2008, and ending June 30, 2010.

Of the foregoing appropriation item C23506, Third Frontier Project, a portion of the unexpended, unencumbered portion at the end of fiscal year 2008 that was allocated for the implementation of the NextGen Network, and is necessary for the continuation of the implementation of the Connect Ohio contract, shall be used for the same purpose in fiscal year 2009 and fiscal year

2010.

The Third Frontier Commission shall develop guidelines relative to the application for and selection of projects funded from appropriation item C23506, Third Frontier Project. The commission may develop these guidelines in consultation with other interested parties. The Board of Regents and all state-assisted and state-supported institutions of higher education shall take all actions necessary to implement grants awarded by the Third Frontier Commission.

The foregoing appropriation item C23506, Third Frontier Project, for which an appropriation is made from the Higher Education Improvement Fund (Fund 7034), is determined to consist of capital improvements and capital facilities for state-supported and state-assisted institutions of higher education, and is designated for the capital facilities to which proceeds of obligations in the Higher Education Improvement Fund (Fund 7034) are to be applied."

In line 103792, after "103.80.90," insert "301.10.50,"

In line 252 of the title, after "103.80.90," insert "301.10.50,"

In line 105251, after "(A)" insert "To facilitate the implementation of the motion picture production tax credit authorized in section 122.85 of the Revised Code, the Director of Development may develop, publish, accept, and review applications for certification of motion pictures as tax credit-eligible productions and may indicate preliminary certification before the effective date of that section. A motion picture for which the director has issued a preliminary certification becomes a motion picture certified as a tax credit-eligible production on the effective date of section 122.85 of the Revised Code.

(B)"

In line 105257, delete "(B)" and insert "(C)"

In line 105265, delete "(A)" and insert "(B)"

In line 100315, after the first comma insert "and"

In line 100316, delete "and 235646, State Share of"

In line 100317, delete "Instruction – Federal Stimulus – Government Services,"

In line 100322, after the first comma insert "and"

In line 100323, delete "and 235646, State Share of Instruction – Federal"

In line 100324, delete "Stimulus - Government Services,"

In line 100455, after the first comma insert "and"

In line 100456, delete "and 235646, State Share of Instruction -"

In line 100457, delete "Federal Stimulus - Government Services,"

In line 100469, after the first comma insert "and"

In line 100470, delete "and 235646, State Share of Instruction -"

In line 100471, delete "Federal Stimulus - Government Services,"

In line 100517, after the first comma insert "and"

In line 100518, delete "and 235646, State Share of Instruction -"

In line 100519, delete "Federal Stimulus - Government Services,"

In line 100528, after the first comma insert "and"

In line 100529, delete "and 235646, State Share of Instruction -"

In line 100530, delete "Federal Stimulus - Government Services,"

In line 100538, after the first comma insert "and"

In line 100539, delete "and 235646, State Share of Instruction -"

In line 100540, delete "Federal Stimulus - Government Services,"

In line 100668, after the second comma insert "and"

In line 100669, delete "and 235646, State"

Delete line 100670

In line 100675, after the first comma insert "and"

In line 100676, delete "and 235646, State Share of Instruction –"

In line 100677, delete "Federal Stimulus – Government Services,"

In line 100698, after the period delete the balance of the line

Delete lines 100699 through 100706

In line 100707, delete "2010-2011 academic year, each main campus of a" and insert "Each"

In line 100708, delete "university" and insert "institution"

In line 100710, delete "2009-2010" and insert "preceding"

In line 100719, after the period insert "These limitations may also be modified by the Chancellor of the Board of Regents, with the approval of the Controlling Board, to respond to exceptional circumstances as identified by the Chancellor of the Board of Regents."

In line 100721, after the second comma insert "and"

In line 100722, delete "and 235646, State"

Delete line 100723

In line 100729, after the second comma insert "and"

In line 100730, delete "and 235646, State"

Delete line 100731

In line 100739, after the second comma insert "and"

In line 100740, delete "and"

Delete line 100741

In line 100742, delete "Services,"

In line 100747, after the second comma insert "and"

In line 100748, delete "and"

Delete line 100749

In line 100750, delete "Services,"

In line 100755, after the second comma insert "and"

In line 100756, delete "and"

Delete line 100757

In line 100758, delete "Services,"

In line 100762, after the second comma insert "and"

In line 100763, delete "and"

Delete line 100764

In line 100765, delete "Services,"

Between lines 100773 and 100774, insert:

"(E)(1) After making the computations required by Sections 371.20.80 and 371.20.90 of this act for fiscal year 2010, the Chancellor of the Board of Regents shall make reductions totaling $87,955,700 to the amounts computed before determining the amounts actually paid to campuses during fiscal year 2010 from the foregoing appropriation items 235501, State Share of Instruction, and 235644, State Share of Instruction – Federal Stimulus – Education.

(2) Notwithstanding any provision of law to the contrary, in fiscal year 2011, from the combined appropriations of the foregoing appropriation items 235501, State Share of Instruction, and 235644, State Share of Instruction – Federal Stimulus – Education, the Chancellor of the Board of Regents shall first pay to each campus an amount equal to the amount each campus's allocation in fiscal year 2010 was reduced under division (E)(1) of this section.

(3) In addition to the payments made under division (E)(2) of this section, after making the computations required by Sections 371.20.80 and 371.20.90 of this act for fiscal year 2011, the Chancellor of the Board of Regents shall make reductions totaling $20,000,000 to the amounts computed for state-assisted university branch campuses, community colleges, state community

colleges, and technical colleges. The Chancellor shall then make additional reductions totaling $170,000,000 to the amounts computed for all campuses. Such additional reductions shall be made proportionally to the allocations originally computed for the following three sectors: (1) university main campuses, (2) university branch campuses, and (3) community colleges, state community colleges, and technical colleges combined. Within each sector, each campus's allocation shall be reduced proportionally, except that the Chancellor, in consultation with representatives of state-assisted institutions of higher education, may establish a percentage below which no campus's allocation is to fall when compared with the campus's payment in the preceding year and proportionally reduce the allocations of all other campuses to support that percentage."

In line 100797, after the second comma insert "and"

In line 100798, delete ", and"

Delete line 100799

In line 100800, delete "Services"

In line 100815, after the first comma insert "and"

In line 100816, delete "and 235646, State Share of Instruction -"

In line 100817, delete "Federal Stimulus – Government Services,"

In line 101315, delete "235646, SSI – Federal Stimulus – Government Services,"

In line 70808, after "certification" insert " , registration,"

In line 70809, strike through the last comma

In line 70810, strike through "within"; delete " twelve"; strike through the balance of the line

Strike through line 70811

In line 70812, strike through everything before "renew"

In line 70814, strike through "payment" and insert " doing either of the following:

(1) Filing a renewal application and submitting payment"

In line 70815, after "Code" insert " within three months after the expiration of the certificate holder's, registrant's, or licensee's certificate, registration, or license;

(2) Obtaining a medical exception under division (C) of this section, filing a renewal application, and submitting payment of all fees for renewal and payment of the late filing fee set forth in section 4763.09 of the Revised Code"

In line 70820, reinsert "three-month"; delete " twelve-month"

In line 70822, after "date" insert " , or during the time period for which a medical exception applies,"

Between lines 70823 and 70824, insert:

" (C) The superintendent may grant a medical exception upon application by a person certified, registered, or licensed under this chapter. To receive an exception, the certificate holder, registrant, or licensee shall submit a request to the superintendent with proof satisfactory that a medical exception is warranted. If the superintendent makes a determination that satisfactory proof has not been presented, within fifteen days of the date of the denial of the medical exception the certificate holder, registrant, or licensee may file with the division of real estate a request that the real estate appraiser board review the determination. The board may adopt reasonable rules in accordance with Chapter 119. of the Revised Code to implement this division."

In line 70837, strike through "If the" and insert " A"

In line 70838, after " registrant" insert " who"

In line 70839, strike through ", the"

In line 70840, strike through everything before " ~~or~~"; delete the underlined comma

In line 70841, strike through "license"; delete " , or registration"; strike through the balance of the line

In line 70842, strike through everything before " ~~or~~"; delete the underlined comma in both places; strike through "licensee"

In line 70843, delete " or registrant"; strike through everything before " ~~or~~"; delete the underlined comma

In line 70844, strike through "licensee"; delete " , or registrant"; strike through the balance of the line

Strike through lines 70845 and 70846

In line 70847, strike through "certificate"; delete the first underlined comma; strike through "license"; delete " , or registration"; strike through the balance of the line

In line 70848, delete the first underlined comma; strike through "licensee"; delete " , or registrant"; strike through "whose certificate"; delete the third underlined comma; strike through "license"; delete " , or"

In line 70849, delete " registration"; strike through the balance of the line

In line 70850, strike through "certified"; delete the first underlined comma; strike through "licensed"; delete " , or registered"; strike through the balance of the line

In line 70851, strike through "certificate holder"; delete the first

underlined comma; strike through "licensee"; delete " , or registrant"; strike through the balance of the line

In line 70852, strike through "initial certificate"; delete the first underlined comma; strike through "license"; delete " , or registration"; strike through the balance of the line

Strike through line 70853

In line 70854, strike through "the issuance of a certificate"; delete the first underlined comma; strike through "license"; delete " , or registration" and insert " is ineligible to obtain a renewal certificate, license, or registration and shall comply with section 4763.05 of the Revised Code in order to regain a certificate, license, or registration, except that the certificate holder, licensee, or registrant may submit proof to the superintendent of meeting these requirements within three months after the date of expiration of the certificate, license, or registration, or by obtaining a medical exception under division (E) of this section, without having to comply with section 4763.05 of the Revised Code. A certificate holder, licensee, or registrant may not engage in any activities permitted by the certificate, license, or registration during the three-month period following the certificate's, license's, or registration's normal expiration date or during the time period for which a medical exception applies"

In line 70864, strike through "and a" and insert an underlined comma; after "licensee" insert " , or registrant"

In line 70866, strike through "and" and insert an underlined comma; after "licensee" insert " , or registrant"

Between lines 70899 and 70900, insert:

" (E) The superintendent may grant a medical exception upon application by a person certified, registered, or licensed under this chapter. To receive an exception, the certificate holder, registrant, or licensee shall submit a request to the superintendent with proof satisfactory that a medical exception is warranted. If the superintendent makes a determination that satisfactory proof has not been presented, within fifteen days of the date of the denial of the medical exception, the certificate holder, registrant, or licensee may file with the division of real estate a request that the real estate appraiser board review the determination. The board may adopt reasonable rules in accordance with Chapter 119. of the Revised Code to implement this division."

Delete lines 106437 through 106450

Delete lines 98122 through 98221

In line 450, delete "5111.142,"

Delete lines 75767 through 75775

In line 75875, delete " , including the medicaid recipients"

In line 75876, delete " specified in section 5111.142 of the Revised

"

In line 213 of the title, delete "5111.142,"

In line 450, delete "5111.141,"

Delete lines 75740 through 75766

In line 213 of the title, delete "5111.141,"

In line 373, after "3923.021," insert "3923.022,"

Between lines 59358 and 59359, insert:

"**Sec. 3923.022.** (A) As used in this section:

(1)(a) "Administrative expense" means the amount resulting from the following: the amount of premiums ~~received~~ earned by the insurer for sickness and accident insurance business plus the amount of losses recovered from reinsurance coverage minus the sum of the amount of claims for losses paid; the amount of losses incurred but not reported; the amount ~~paid~~ incurred for state fees, federal and state taxes, and reinsurance; and the incurred costs and expenses related, either directly or indirectly, to the payment of commissions, measures to control fraud, and managed care.

(b) "Administrative expense" does not include any amounts collected, or administrative expenses incurred, by an insurer for the administration of an employee health benefit plan subject to regulation by the federal "Employee Retirement Income Security Act of 1974," 88 Stat. 832, 29 U.S.C.A. 1001, as amended. "Amounts collected or administrative expenses incurred" means the total amount paid to an administrator for the administration and payment of claims minus the sum of the amount of claims for losses paid and the amount of losses incurred but not reported.

(2) "Insurer" means any insurance company authorized under Title XXXIX of the Revised Code to do the business of sickness and accident insurance in this state.

(3) "Sickness and accident insurance business" does not include coverage provided by an insurer for specific diseases or accidents only; any hospital indemnity, medicare supplement, long-term care, disability income, one-time-limited-duration policy of no longer than six months, or other policy that offers only supplemental benefits; or coverage provided to individuals who are not residents of this state.

(4) "Individual business" includes both individual sickness and accident insurance and sickness and accident insurance made available by insurers in the individual market to individuals, with or without family members or dependents, through group policies issued to one or more associations or entities.

(B) Notwithstanding section 3941.14 of the Revised Code, ~~the following apply to every insurer:~~

~~(1) For calendar year 1993, each insurer shall have aggregate~~

~~administrative expenses of no more than forty per cent of the premium income of the insurer, based on the premiums received in that year on the sickness and accident insurance business of the insurer.~~

~~(2) For calendar year 1994, each insurer shall have aggregate administrative expenses of no more than thirty per cent of the premium income of the insurer, based on the premiums received in that year on the sickness and accident insurance business of the insurer.~~

~~(3) For calendar year 1995, each insurer shall have aggregate administrative expenses of no more than twenty-five per cent of the premium income of the insurer, based on the premiums received in that year on the sickness and accident insurance business of the insurer.~~

~~(4) For calendar year 1996 and every calendar year thereafter,~~ each insurer shall have aggregate administrative expenses of no more than twenty per cent of the premium income of the insurer, based on the premiums ~~received~~ earned in that year on the sickness and accident insurance business of the insurer.

(C) (1) Each insurer, on the first day of January or within sixty days thereafter, shall annually prepare, under oath, and deposit in the office of the superintendent of insurance a statement of the aggregate administrative expenses of the insurer, based on the premiums ~~received~~ earned in the immediately preceding calendar year on the sickness and accident insurance business of the insurer. The statement shall itemize and separately detail all of the following information with respect to the insurer's sickness and accident insurance business:

(a) The amount of premiums earned by the insurer both before and after any costs related to the insurer's purchase of reinsurance coverage;

(b) The total amount of claims for losses paid by the insurer both before and after any reimbursement from reinsurance coverage;

(c) The amount of any losses incurred by the insurer but not reported by the insurer in the current or prior year;

(d) The amount of costs incurred by the insurer for state fees and federal and state taxes;

(e) The amount of costs incurred by the insurer for reinsurance coverage;

(f) The amount of costs incurred by the insurer that are related to the insurer's payment of commissions;

(g) The amount of costs incurred by the insurer that are related to the insurer's fraud prevention measures;

(h) The amount of costs incurred by the insurer that are related to managed care; and

(i) Any other administrative expenses incurred by the insurer.

(2) The statement also shall include all of the information required under division (C)(1) of this section separately detailed for the insurer's individual business, small group business, and large group business.

(D) No insurer shall fail to comply with ~~division (B) of~~ this section.

(E) If the superintendent determines that an insurer has violated ~~division (D) of~~ this section, the superintendent, pursuant to an adjudication conducted in accordance with Chapter 119. of the Revised Code, may order the suspension of the insurer's license to do the business of sickness and accident insurance in this state until the superintendent is satisfied that the insurer is in compliance with ~~division (B) of~~ this section. If the insurer continues to do the business of sickness and accident insurance in this state while under the suspension order, the superintendent shall order the insurer to pay one thousand dollars for each day of the violation.

(F) Any money collected by the superintendent under division (E) of this section shall be deposited by ~~him~~ the superintendent into the state treasury to the credit of the department of insurance operating fund.

(G) The statement of aggregate expenses filed pursuant to this section separately detailing an insurer's individual, small group, and large group business shall be considered work papers resulting from the conduct of a market analysis of an entity subject to examination by the superintendent under division (C) of section 3901.48 of the Revised Code, except that the superintendent may share aggregated market information that identifies the premiums earned as reported under division (C)(1)(a) of this section, the administrative expenses reported under division (C)(1)(i) of this section, the amount of commissions reported under division (C)(1)(f) of this section, the amount of taxes paid as reported under division (C)(1)(d) of this section, the total of the remaining benefit costs as reported under divisions (C)(1)(b) and (c) of this section, and the amount of fraud and managed care expenses reported under divisions (C)(1)(g) and (h) of this section."

In line 90875, after "3923.021," insert "3923.022,"

In line 110 of the title, after "3923.021," insert "3923.022,"

In line 453, after "5112.372," insert "5112.40, 5112.41, 5112.42, 5112.43, 5112.44, 5112.45, 5112.46, 5112.47, 5112.48,"

Between lines 78394 and 78395, insert:

" **Sec. 5112.40.** As used in sections 5112.40 to 5112.48 of the Revised Code:

(A) "Assessment program year" means the twelve-month period beginning the first day of October of a calendar year and ending the last day of September of the following calendar year.

(B) "Cost reporting period" means the period of time used by a hospital in reporting costs for purposes of the medicare program.

(C) "Federal fiscal year" means the twelve-month period beginning the first day of October of a calendar year and ending the last day of September of the following calendar year.

(D)(1) Except as provided in division (D)(2) of this section, "hospital" means a hospital to which any of the following applies:

(a) The hospital is registered under section 3701.07 of the Revised Code as a general medical and surgical hospital or a pediatric general hospital and provides inpatient hospital services, as defined in 42 C.F.R. 440.10.

(b) The hospital is recognized under the medicare program as a cancer hospital and is exempt from the medicare prospective payment system.

(c) The hospital is a psychiatric hospital licensed under section 5119.20 of the Revised Code.

(2) "Hospital" does not include either of the following:

(a) A federal hospital;

(b) A hospital that does not charge any of its patients for its services.

(E) "Hospital care assurance program" means the program established under sections 5112.01 to 5112.21 of the Revised Code.

(F) "Medicaid" has the same meaning as in section 5111.01 of the Revised Code.

(G) "Medicare" means the program established under Title XVIII of the Social Security Act.

(H) "State fiscal year" means the twelve-month period beginning the first day of July of a calendar year and ending the last day of June of the following calendar year.

(I)(1) Except as provided in divisions (I)(2) and (3) of this section, "total facility costs" means the total costs to a hospital for all care provided to all patients, including the direct, indirect, and overhead costs to the hospital of all services, supplies, equipment, and capital related to the care of patients, regardless of whether patients are enrolled in a health insuring corporation.

(2) "Total facility costs" excludes all of the following of a hospital's costs as shown on the cost-reporting data used for purposes of determining the hospital's assessment under section 5112.41 of the Revised Code:

(a) Skilled nursing services provided in distinct-part nursing facility units;

(b) Home health services;

(c) Hospice services;

(d) Ambulance services;

(e) Renting durable medical equipment;

(f) Selling durable medical equipment.

(3) "Total facility costs" excludes any costs excluded from a hospital's total facility costs pursuant to rules, if any, adopted under division (B) of section 5112.46 of the Revised Code.

Sec. 5112.41. (A) For the purposes specified in section 5112.45 of the Revised Code and subject to section 5112.48 of the Revised Code, there is hereby imposed an assessment on all hospitals each assessment program year. The amount of a hospital's assessment for an assessment program year shall equal, except as provided in division (D) of this section, the percentage specified in division (B) of this section of the hospital's total facility costs for the period of time specified in division (C) of this section. The amount of a hospital's total facility costs shall be derived from cost-reporting data for the hospital submitted to the department of job and family services for purposes of the hospital care assurance program. The cost-reporting data used to determine a hospital's assessment is subject to the same type of adjustments made to the data under the hospital care assurance program.

(B) The percentage specified in this division is the following:

(1) For the first assessment program year beginning after the effective date of this section, one and fifty-two hundredths per cent;

(2) Subject to division (D) of this section, for the second assessment program year after the effective date of this section and each successive assessment program year, one and sixty-one hundredths per cent.

(C) The period of time specified in this division is the hospital's cost reporting period that ends in the state fiscal year that ends in the federal fiscal year that precedes the federal fiscal year that precedes the assessment program year for which the assessment is imposed.

(D) The department of job and family services shall apply to the United States secretary of health and human services for a waiver under 42 U.S.C. 1396b(w)(3)(E) to establish, for the second assessment program year after the effective date of this section and each successive assessment program year, a tiered assessment on hospitals' total facility costs instead of applying the percentage specified in division (B)(2) of this section. If the United States secretary denies the waiver, the department shall apply the percentage specified in division (B)(2) of this section for the second assessment program year after the effective date of this section and each successive assessment program year.

(E) The assessment imposed by this section on a hospital is in addition to the assessment imposed by section 5112.06 of the Revised Code.

Sec. 5112.42. (A) Before or during each assessment program year, the department of job and family services shall mail to each hospital by certified mail, return receipt requested, the preliminary determination of the amount that

the hospital is assessed under section 5112.41 of the Revised Code for the assessment program year. Except as provided in division (B) of this section, the preliminary determination becomes the final determination for the assessment program year fifteen days after the preliminary determination is mailed to the hospital.

(B) A hospital may request that the department reconsider the preliminary determination mailed to the hospital under division (A) of this section by submitting to the department a written request for a reconsideration not later than fourteen days after the hospital's preliminary determination is mailed to the hospital. The request must be accompanied by written materials setting forth the basis for the reconsideration. On receipt of the timely request, the department shall reconsider the preliminary determination and may adjust the preliminary determination on the basis of the written materials accompanying the request. The result of the reconsideration is the final determination of the hospital's assessment under section 5112.41 of the Revised Code for the assessment program year.

(C) The department shall mail to each hospital a written notice of the final determination of its assessment for the assessment program year. A hospital may appeal the final determination to the court of common pleas of Franklin county. While a judicial appeal is pending, the hospital shall pay, in accordance with section 5112.43 of the Revised Code, any amount of its assessment that is not in dispute.

Sec. 5112.43. Unless rules adopted under section 5112.46 of the Revised Code establish a different payment schedule, each hospital shall pay the amount it is assessed under section 5112.41 of the Revised Code in accordance with the following payment schedule:

(A) Twenty-eight per cent of a hospital's assessment is due on the last business day of October of each assessment program year.

(B) Thirty-one per cent of a hospital's assessment is due on the last business day of February of each assessment program year.

(C) Forty-one per cent of a hospital's assessment is due on the last business day of May of each assessment program year.

Sec. 5112.44. The department of job and family services may audit a hospital to ensure that the hospital properly pays the amount it is assessed under section 5112.41 of the Revised Code. The department shall take action to recover from a hospital any amount the audit reveals that the hospital should have paid but did not pay.

Sec. 5112.45. There is hereby created in the state treasury the hospital assessment fund. All installment payments made by hospitals under section 5112.43 of the Revised Code and all recoveries the department of job and family services makes under section 5112.44 of the Revised Code shall be deposited into the fund. All investment earnings of the fund shall be credited to the fund.

The department shall use money in the fund to pay for the costs of the medicaid program, including the program's administrative costs.

Sec. 5112.46. (A) The director of job and family services may adopt, amend, and rescind rules in accordance with Chapter 119. of the Revised Code as necessary to implement sections 5112.40 to 5112.48 of the Revised Code.

(B) The rules adopted under this section may provide that a hospital's total facility costs for the purpose of the assessment under section 5112.41 of the Revised Code exclude any of the following:

(1) A hospital's costs associated with providing care to recipients of any of the following:

(a) The medicaid program;

(b) The medicare program;

(c) The disability financial assistance program established under Chapter 5115. of the Revised Code;

(d) The disability medical assistance program established under Chapter 5115. of the Revised Code;

(e) The program for medically handicapped children established under section 3701.023 of the Revised Code;

(f) Services provided under the maternal and child health services block grant established under Title V of the Social Security Act.

(2) Any other category of hospital costs the director deems appropriate under federal law and regulations governing the medicaid program.

Sec. 5112.47. The director of job and family services shall implement the assessment imposed by section 5112.41 of the Revised Code in a manner that does not cause a reduction in federal financial participation for the medicaid program under 42 U.S.C. 1396b(w).

Sec. 5112.48. If the United States secretary of health and human services determines that the assessment imposed by section 5112.41 of the Revised Code is an impermissible health care-related tax under 42 U.S.C. 1396b(w), the director of job and family services shall take all necessary actions to cease implementation of sections 5112.40 to 5112.47 of the Revised Code and shall promptly refund to each hospital the amount of money in the hospital assessment fund at the time the refund is to be made that the hospital paid under section 5112.43 of the Revised Code, plus any corresponding investment earnings on that amount."

Between lines 91319 and 91320, insert:

"**Section _____.** Sections 5112.40, 5112.41, 5112.42, 5112.43, 5112.44, 5112.45, 5112.46, 5112.47, and 5112.48 of the Revised Code are hereby repealed, effective October 1, 2011."

Delete lines 92081 through 92100

In line 97223, after the period delete the balance of the line

Delete lines 97224 through 97226

In line 97227, delete "section" and insert "Of the amounts deposited into the Hospital Assessment Fund created under section 5112.45 of the Revised Code, $4.4 million in fiscal year 2010, plus the corresponding federal match, and $4 million in fiscal year 2011, plus the corresponding federal match, also shall be used by the Department to pay the amounts described in divisions (B) and (D) of this section"

Between lines 97227 and 97228, insert:

"**Section _____.** HOSPITAL INPATIENT AND OUTPATIENT SUPPLEMENTAL UPPER PAYMENT LIMIT PROGRAM

(A) As used in this section:

(1) "Assessment program year" has the same meaning as in section 5112.40 of the Revised Code.

(2) "Hospital" has the same meaning as in Section 5112.40 of the Revised Code, except that "hospital" excludes a children's hospital as defined in Section 309.30.15 of this act.

(3) "Hospital Assessment Fund" means the fund created under section 5112.45 of the Revised Code.

(B) The Director of Job and Family Services shall submit a Medicaid state plan amendment to the United States Secretary of Health and Human Services to create the Hospital Inpatient and Outpatient Supplemental Upper Payment Limit Program. If the United States Secretary approves the Medicaid state plan amendment, the program shall, subject to division (D) of this section, make supplemental Medicaid payments to hospitals for medicaid-covered inpatient services and outpatient services with funds made available for the program under division (C) of this section and federal matching funds available for the program.

(C) Of the amounts deposited into the Hospital Assessment Fund for the first assessment program year beginning after the effective date of this section, nine and sixteen hundredths per cent shall be used for the Hospital Inpatient and Outpatient Supplemental Upper Payment Limit Program. Of the amounts deposited into the Hospital Assessment Fund for the second assessment program year beginning after the effective date of this section, ten and twenty-nine hundredths per cent shall be used for the Hospital Inpatient and Outpatient Supplemental Upper Payment Limit Program.

(D) The Director of Job and Family Services shall take all necessary actions to cease implementation of this section if the United States Secretary of Health and Human Services determines that the assessment imposed under

section 5112.41 of the Revised Code is an impermissible health care-related tax under 42 U.S.C. 1396b(w).

"**Section ____.** POSTPONEMENT OF RECALIBRATION FOR HOSPITALS

The Director of Job and Family Services shall amend rule 5101:3-2-07.3 of the Administrative Code to postpone to January 1, 2012, the recalibration that otherwise would occur on January 1, 2010, under that rule and to postpone to January 1, 2013, the recalibration that otherwise would occur on January 1, 2011, under that rule."

In line 97577, delete "July" and insert "October"

In line 97579, after the second "services" insert "that are paid under the prospective payment system established in those rules"

In line 97581, delete "June" and insert "September"

Delete lines 97582 through 97921

Delete lines 105068 through 105079

In line 106546, after "5111.875," insert "5112.40, 5112.41, 5112.42, 5112.43, 5112.44, 5112.45, 5112.46, 5112.47, 5112.48,"

Between lines 106556 and 106557, insert:

"The repeal of sections 5112.40, 5112.41, 5112.42, 5112.43, 5112.44, 5112.45, 5112.46, 5112.47, and 5112.48 of the Revised Code takes effect October 1, 2011."

In line 216 of the title, after "5112.372," insert "5112.40, 5112.41, 5112.42, 5112.43, 5112.44, 5112.45, 5112.46, 5112.47, 5112.48,"

In line 281 of the title, after the semicolon insert "to repeal sections 5112.40, 5112.41, 5112.42, 5112.43, 5112.44, 5112.45, 5112.46, 5112.47, and 5112.48 of the Revised Code, effective October 1, 2011;"

Between lines 98090 and 98091, insert:

"The Department of Job and Family Services shall transfer $14,700,000 cash, during the FY 2010-FY 2011 biennium, from the Medicaid Program Support Fund (Fund 5C90), to the Sale of Goods and Services Fund (Fund 1490), used by the Department of Mental Health. The transfer shall be made using an intrastate transfer voucher."

In line 99159, delete "$28,700,000 $28,700,000" and insert "$36,050,000 $36,050,000"

In line 99163, add $7,350,000 to each fiscal year

In line 99179, delete "$362,770,242 $345,067,320" and insert "$382,835,386 $361,335,572"

In line 99180, add $20,065,144 to fiscal year 2010 and $16,268,252 to fiscal year 2011

In line 99192, add $27,415,144 to fiscal year 2010 and $23,618,252 to fiscal year 2011

In line 398, after "5101.84," insert "5103.02, 5103.03,"

Between lines 74301 and 74302, insert:

"**Sec. 5103.02.** As used in sections 5103.03 to 5103.17 of the Revised Code:

(A) ~~"Association~~ (1) Except as provided in division (A)(2) of this section, "association" or "institution" includes ~~any~~ all of the following:

(a) Any incorporated or unincorporated organization, society, association, or agency, public or private, that receives or cares for children for two or more consecutive weeks; ~~any~~

(b) Any individual, including the operator of a foster home, who, for hire, gain, or reward, receives or cares for children for two or more consecutive weeks, unless the individual is related to them by blood or marriage; ~~and any~~

(c) Any individual not in the regular employ of a court, or of an institution or association certified in accordance with section 5103.03 of the Revised Code, who in any manner becomes a party to the placing of children in foster homes, unless the individual is related to such children by blood or marriage, ~~or~~ is the appointed guardian of such children ~~; provided, that any~~ , or is authorized pursuant to Chapter 3107. of the Revised Code.

(2) The following are exempt from the requirements of sections 5103.03 to 5103.17 of the Revised Code:

(a) Any organization, society, association, school, agency, child guidance center, detention or rehabilitation facility, or children's clinic licensed, regulated, approved, operated under the direction of, or otherwise certified by the department of education, a local board of education, the department of youth services, the department of mental health, or the department of mental retardation and developmental disabilities ~~, or any~~ . This exemption includes any facility under the control of the department of youth services and any place of detention for children established and maintained pursuant to sections 2152.41 to 2152.44 of the Revised Code.

(b) Any individual who provides care for only a single-family group, placed there by their parents or other relative having custody ~~, shall not be considered as being within the purview of these sections~~ ;

(c) A child day-care center subject to Chapter 5104. of the Revised Code.

(B) "Family foster home" means a foster home that is not a specialized foster home.

(C) "Foster caregiver" means a person holding a valid foster home certificate issued under section 5103.03 of the Revised Code.

(D) "Foster home" means a private residence in which children are received apart from their parents, guardian, or legal custodian, by an individual reimbursed for providing the children nonsecure care, supervision, or training twenty-four hours a day. "Foster home" does not include care provided for a child in the home of a person other than the child's parent, guardian, or legal custodian while the parent, guardian, or legal custodian is temporarily away. Family foster homes and specialized foster homes are types of foster homes.

(E) "Medically fragile foster home" means a foster home that provides specialized medical services designed to meet the needs of children with intensive health care needs who meet all of the following criteria:

(1) Under rules adopted by the department of job and family services governing payment under Chapter 5111. of the Revised Code for long-term care services, the children require a skilled level of care.

(2) The children require the services of a doctor of medicine or osteopathic medicine at least once a week due to the instability of their medical conditions.

(3) The children require the services of a registered nurse on a daily basis.

(4) The children are at risk of institutionalization in a hospital, skilled nursing facility, or intermediate care facility for the mentally retarded.

(F) "Recommending agency" means a public children services agency, private child placing agency, or private noncustodial agency that recommends that the department of job and family services take any of the following actions under section 5103.03 of the Revised Code regarding a foster home:

(1) Issue a certificate;

(2) Deny a certificate;

(3) Renew a certificate;

(4) Deny renewal of a certificate;

(5) Revoke a certificate.

(G) "Specialized foster home" means a medically fragile foster home or a treatment foster home.

(H) "Treatment foster home" means a foster home that incorporates special rehabilitative services designed to treat the specific needs of the children received in the foster home and that receives and cares for children who are emotionally or behaviorally disturbed, chemically dependent, mentally retarded, developmentally disabled, or who otherwise have exceptional needs.

Sec. 5103.03. (A) The director of job and family services shall adopt

rules as necessary for the adequate and competent management of institutions or associations. The director shall ensure that foster care home study rules adopted under this section align any home study content, time period, and process with any home study content, time period, and process required by rules adopted under section 3107.033 of the Revised Code.

(B)(1) (a) Except ~~for facilities under the control of the department of youth services, places of detention for children established and maintained pursuant to sections 2152.41 to 2152.44 of the Revised Code, and child day-care centers subject to Chapter 5104. of the Revised Code~~ as provided in division (B)(1)(b) of this section, the department of job and family services every ~~two~~ four years shall pass upon the fitness of every institution and association that receives, or desires to receive and care for children, or places children in private homes.

(b) The department of job and family services every two years shall pass upon the fitness of any individual, including the operator of a foster home, who, for hire, gain, or reward, receives or cares for children for two or more consecutive weeks, unless the individual is related to them by blood or marriage.

(2) When the department of job and family services is satisfied as to the care given such children, and that the requirements of the statutes and rules covering the management of such institutions and associations are being complied with, it shall issue to the institution or association a certificate to that effect. A certificate issued pursuant to division (B)(1)(a) of this section is valid for four years, unless sooner revoked by the department. A certificate issued pursuant to division (B)(1)(b) of this section is valid for two years, unless sooner revoked by the department. When determining whether an institution or association meets a particular requirement for certification, the department may consider the institution or association to have met the requirement if the institution or association shows to the department's satisfaction that it has met a comparable requirement to be accredited by a nationally recognized accreditation organization.

(3) The department may issue a temporary certificate valid for less than one year authorizing an institution or association to operate until minimum requirements have been met.

(4) An institution or association that knowingly makes a false statement that is included as a part of certification under this section is guilty of the offense of falsification under section 2921.13 of the Revised Code and the department shall not certify that institution or association.

(5) The department shall not issue a certificate to a prospective foster home or prospective specialized foster home pursuant to this section if the prospective foster home or prospective specialized foster home operates as a type A family day-care home pursuant to Chapter 5104. of the Revised Code. The department shall not issue a certificate to a prospective specialized foster home if the prospective specialized foster home operates a type B family day-care home pursuant to Chapter 5104. of the Revised Code.

(C) The department may revoke a certificate if it finds that the institution or association is in violation of law or rule. No juvenile court shall commit a child to an association or institution that is required to be certified under this section if its certificate has been revoked or, if after revocation, the date of reissue is less than fifteen months prior to the proposed commitment.

(D) ~~Every two years, on~~ On a date specified by the department in accordance with division (D)(1) or (2) of this section, each institution or association desiring certification or recertification shall submit to the department a report showing its condition, management, competency to care adequately for the children who have been or may be committed to it or to whom it provides care or services, the system of visitation it employs for children placed in private homes, and other information the department requires :

(1) Every four years, for an institution or association that receives a certificate pursuant to division (B)(1)(a) of this section;

(2) Every two years, for an individual who receives a certificate pursuant to division (B)(1)(b) of this section.

(E) The department shall, not less than once each year, send a list of certified institutions and associations to each juvenile court and certified association or institution.

(F) No person shall receive children or receive or solicit money on behalf of such an institution or association not so certified or whose certificate has been revoked.

(G)(1) The director may delegate by rule any duties imposed on it by this section to inspect and approve family foster homes and specialized foster homes to public children services agencies, private child placing agencies, or private noncustodial agencies.

(2) The director shall adopt rules that require a foster caregiver or other individual certified to operate a foster home under this section to notify the recommending agency that the foster caregiver or other individual is certified to operate a type B family day-care home under Chapter 5104. of the Revised Code.

(H) If the director of job and family services determines that an institution or association that cares for children is operating without a certificate, the director may petition the court of common pleas in the county in which the institution or association is located for an order enjoining its operation. The court shall grant injunctive relief upon a showing that the institution or association is operating without a certificate.

(I) If both of the following are the case, the director of job and family services may petition the court of common pleas of any county in which an institution or association that holds a certificate under this section operates for an order, and the court may issue an order, preventing the institution or association from receiving additional children into its care or an order removing children

from its care:

(1) The department has evidence that the life, health, or safety of one or more children in the care of the institution or association is at imminent risk.

(2) The department has issued a proposed adjudication order pursuant to Chapter 119. of the Revised Code to deny renewal of or revoke the certificate of the institution or association."

In line 90901, after "5101.84," insert "5103.02, 5103.03,"

In line 145 of the title, after "5101.84," insert "5103.02, 5103.03,"

In line 398, after "5101.84," insert "5104.04,"

Between lines 74301 and 74302, insert:

"**Sec. 5104.04.** (A) The department of job and family services shall establish procedures to be followed in investigating, inspecting, and licensing child day-care centers and type A family day-care homes.

(B)(1)(a) The department shall, at least ~~twice~~ once during every twelve-month period of operation of a center or type A home, inspect the center or type A home. The department shall inspect a part-time center or part-time type A home at least once during every twelve-month period of operation. The department shall provide a written inspection report to the licensee within a reasonable time after each inspection. The licensee shall display all written reports of inspections conducted during the current licensing period in a conspicuous place in the center or type A home.

~~At least one inspection shall be unannounced and all inspections~~ Inspections may be unannounced. No person, firm, organization, institution, or agency shall interfere with the inspection of a center or type A home by any state or local official engaged in performing duties required of the state or local official by Chapter 5104. of the Revised Code or rules adopted pursuant to Chapter 5104. of the Revised Code, including inspecting the center or type A home, reviewing records, or interviewing licensees, employees, children, or parents.

(b) Upon receipt of any complaint that a center or type A home is out of compliance with the requirements of Chapter 5104. of the Revised Code or rules adopted pursuant to Chapter 5104. of the Revised Code, the department shall investigate the center or home, and both of the following apply:

(i) If the complaint alleges that a child suffered physical harm while receiving child care at the center or home or that the noncompliance alleged in the complaint involved, resulted in, or poses a substantial risk of physical harm to a child receiving child care at the center or home, the department shall inspect the center or home.

(ii) If division (B)(1)(b)(i) of this section does not apply regarding the complaint, the department may inspect the center or home.

(c) Division (B)(1)(b) of this section does not limit, restrict, or negate any duty of the department to inspect a center or type A home that otherwise is imposed under this section, or any authority of the department to inspect a center or type A home that otherwise is granted under this section when the department believes the inspection is necessary and it is permitted under the grant.

(2) If the department implements an instrument-based program monitoring information system, it may use an indicator checklist to comply with division (B)(1) of this section.

(3) The department shall contract with a third party by the first day of October in each even-numbered year to collect information concerning the amounts charged by the center or home for providing child care services for use in establishing reimbursement ceilings and payment pursuant to section 5104.30 of the Revised Code. The third party shall compile the information and report the results of the survey to the department not later than the first day of December in each even-numbered year.

(C) In the event a licensed center or type A home is determined to be out of compliance with the requirements of Chapter 5104. of the Revised Code or rules adopted pursuant to Chapter 5104. of the Revised Code, the department shall notify the licensee of the center or type A home in writing regarding the nature of the violation, what must be done to correct the violation, and by what date the correction must be made. If the correction is not made by the date established by the department, the department may commence action under Chapter 119. of the Revised Code to revoke the license. The department's commencement of an action to revoke the license is sufficient notice that the correction has not been made, and no other notice regarding the correction is required.

(D) The department may deny or revoke a license, or refuse to renew a license of a center or type A home, if the applicant knowingly makes a false statement on the application, does not comply with the requirements of Chapter 5104. or rules adopted pursuant to Chapter 5104. of the Revised Code, or has pleaded guilty to or been convicted of an offense described in section 5104.09 of the Revised Code.

(E) If the department finds, after notice and hearing pursuant to Chapter 119. of the Revised Code, that any person, firm, organization, institution, or agency licensed under section 5104.03 of the Revised Code is in violation of any provision of Chapter 5104. of the Revised Code or rules adopted pursuant to Chapter 5104. of the Revised Code, the department may issue an order of revocation to the center or type A home revoking the license previously issued by the department. Upon the issuance of any order of revocation, the person whose license is revoked may appeal in accordance with section 119.12 of the Revised Code.

(F) The surrender of a center or type A home license to the department or the withdrawal of an application for licensure by the owner or administrator of

the center or type A home shall not prohibit the department from instituting any of the actions set forth in this section.

(G) Whenever the department receives a complaint, is advised, or otherwise has any reason to believe that a center or type A home is providing child care without a license issued or renewed pursuant to section 5104.03 and is not exempt from licensing pursuant to section 5104.02 of the Revised Code, the department shall investigate the center or type A home and may inspect the areas children have access to or areas necessary for the care of children in the center or type A home during suspected hours of operation to determine whether the center or type A home is subject to the requirements of Chapter 5104. or rules adopted pursuant to Chapter 5104. of the Revised Code.

(H) The department, upon determining that the center or type A home is operating without a license, shall notify the attorney general, the prosecuting attorney of the county in which the center or type A home is located, or the city attorney, village solicitor, or other chief legal officer of the municipal corporation in which the center or type A home is located, that the center or type A home is operating without a license. Upon receipt of the notification, the attorney general, prosecuting attorney, city attorney, village solicitor, or other chief legal officer of a municipal corporation shall file a complaint in the court of common pleas of the county in which the center or type A home is located requesting that the court grant an order enjoining the owner from operating the center or type A home in violation of section 5104.02 of the Revised Code. The court shall grant such injunctive relief upon a showing that the respondent named in the complaint is operating a center or type A home and is doing so without a license.

(I) The department shall prepare an annual report on inspections conducted under this section. The report shall include the number of inspections conducted, the number and types of violations found, and the steps taken to address the violations. The department shall file the report with the governor, the president and minority leader of the senate, and the speaker and minority leader of the house of representatives on or before the first day of January of each year, beginning in 1999."

In line 90901, after "5101.84," insert "5104.04,"

In line 145 of the title, after "5101.84," insert "5104.04,"

Between lines 93994 and 93995, insert:

"(L) Eligible expenditures for the Early Childhood Education program shall be claimed each fiscal year to help meet the state's TANF maintenance of effort requirement. The Superintendent of Public Instruction and the Director of Job and Family Services shall enter into an interagency agreement to carry out the requirements under this division, which shall include developing reporting guidelines for these expenditures."

Between lines 101109 and 101110, insert:

"(A) Except as provided in division (D) of this section:"

Delete lines 101115 through 101119

Between lines 101129 and 101130, insert:

"(B)(1) As used in this section:

(a) "At-risk component" may include, but is not limited to:

(i) A first-generation college student;

(ii) A non-traditionally aged adult student;

(iii) A graduate of a low-achieving high school;

(iv) Any other factors the Chancellor may determine.

(b) "Eligible institution" means any institution described in divisions (B)(2)(a) to (c) of section 3333.122 of the Revised Code.

(c) "Type of institution" means state college or university, community college, state community college, university branch, technical college, or eligible private nonprofit institution of higher education.

(d) The two "sectors" of institutions of higher education consist of the following:

(i) State colleges and universities, community colleges, state community colleges, university branches, and technical colleges;

(ii) Eligible private nonprofit institutions of higher education.

(2) If the Chancellor determines that the amounts appropriated for support of the Ohio College Opportunity Grant program are inadequate to provide grants to all eligible students as calculated under division (D) of section 3333.122 of the Revised Code, the Chancellor shall create a formula, subject to the approval of the Controlling Board, for the distribution of available funds. This formula shall be complete and established before the start of the 2010-2011 academic year.

The formula shall be based on division (C)(1) of section 3333.122 of the Revised Code, but also include an at-risk component and academic performance component in determining distribution priority. The Chancellor may use the academic performance component to increase an award for credit or course completion or other factors as determined by the Chancellor.

(3) Each eligible institution shall collect at-risk and performance data for each student eligible for a grant and report that information, including a recommendation of eligible students considered most at-risk, to the Chancellor by the deadline set by the Chancellor.

(4) The Chancellor shall determine which at-risk and performance components are most appropriate to use for each type of institution and devise a formula for each type of institution accordingly.

(C) Notwithstanding any other law to the contrary, the Chancellor may require an eligible institution to provide matching funds for students receiving Ohio College Opportunity Grants. The Chancellor shall recommend a required match for each eligible institution, taking into account the capacity of each institution to meet the match. The Chancellor shall include the recommendation as part of the formula submitted to the Controlling Board for approval under division (B)(2) of this section.

(D) Prior to determining the amount of funds available to award under this section and section 3333.122 of the Revised Code, the Chancellor shall use the foregoing appropriation item 235563, Ohio College Opportunity Grant, to pay the prior year's Ohio College Opportunity Grant/Ohio Instructional Grant obligations in fiscal year 2010. The Chancellor may also use the foregoing appropriation item to pay for renewals or partial renewals of scholarships students receive under the Ohio Academic Scholarship Program under sections 3333.21 and 3333.22 of the Revised Code. In paying for prior obligations and scholarships under this division, the Chancellor shall deduct funds from the allocations made under division (A) of this section proportionate to the amounts allocated to each sector from the total appropriation.

In each fiscal year, the Chancellor shall not distribute or obligate or commit to be distributed an amount greater than what is appropriated under the foregoing appropriation item 235563, Ohio College Opportunity Grant.

(E) The Chancellor shall establish, and post on the Ohio Board of Regents' web site, award tables based on the formulas created under division (B) of this section. The Chancellor shall notify students and institutions of any reductions in awards under this section."

In line 101135, before "Notwithstanding" insert "(F)"

Delete lines 101287 through 101310

In line 15259, after "authority" delete the balance of the line

Strike through line 15260

In line 15261, strike through "furnishing, improving, extending, or enlarging any" and insert " or any prior community or technical college obligations to fund, or to refund any obligations issued to refund,"

In line 15262, strike through "of the authority"; delete " or any community or technical college"

In line 15263, delete " district or community or technical college"

In line 106522, after "145.298," insert "152.12,"

In line 297, after "121.07," insert "121.31,"

Between lines 5676 and 5677, insert:

Sec. 121.31. There is hereby created the commission on Hispanic-Latino

affairs consisting of eleven voting members appointed by the governor with the advice and consent of the senate and ~~two~~ four ex officio, nonvoting members who are members of the general assembly. The speaker of the house of representatives shall recommend to the governor two persons for appointment to the commission, the president of the senate shall recommend to the governor two such persons, and the minority leaders of the house and senate shall each recommend to the governor one such person. The governor shall make initial appointments to the commission. Of the initial appointments made to the commission, three shall be for a term ending October 7, 1978, four shall be for a term ending October 7, 1979, and four shall be for a term ending October 7, 1980. ~~One~~ Two ex officio ~~member~~ members of the commission shall be ~~a member~~ members of the house of representatives appointed by the speaker of the house of representatives and ~~one~~ two ex officio ~~member~~ members of the commission shall be ~~a member~~ members of the senate appointed by the president of the senate. ~~When making their initial appointments, the speaker shall appoint a member of the house of representatives who is affiliated with the minority political party in the house of representatives and the president shall appoint a member of the senate who is affiliated with the majority political party in the senate; in making subsequent appointments the speaker and the president each shall alternate the political party affiliation of the members they appoint to the commission. The speaker and president shall make their initial appointments so that the initial ex officio members begin their terms October 7, 2008~~ The speaker shall appoint one member of the house of representatives from among the representatives who are affiliated with the political party having a majority in the house of representatives and one member of the house of representatives from among the representatives who are affiliated with the political party having a minority in the house of representatives. The president shall appoint one member of the senate from among the senators who are affiliated with the political party having a majority in the senate and one member of the senate from among the senators who are affiliated with the political party having a minority in the senate.

After the initial appointments by the governor, terms of office shall be for three years, except that members of the general assembly appointed to the commission shall be members of the commission only so long as they are members of the general assembly. Each term shall end on the same day of the same month of the year as did the term which it succeeds. Each member shall hold office from the date of appointment until the end of the term for which the member was appointed. Vacancies shall be filled in the same manner as the original appointment. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall hold office for the remainder of such term. Any member shall continue in office subsequent to the expiration date of the member's term until the member's successor takes office, or until a period of sixty days has elapsed, whichever occurs first. At the first organizational meeting of the commission, the original eleven members shall draw lots to determine the length of the term each member shall serve.

All voting members of the commission shall speak Spanish, shall be of Spanish-speaking origin, and shall be American citizens or lawful, permanent, resident aliens. Voting members shall be from urban, suburban, and rural geographical areas representative of Spanish-speaking people with a numerical and geographical balance of the Spanish-speaking population throughout the state.

The commission shall meet not less than six times per calendar year. The commission shall elect a chairperson, vice-chairperson, and other officers from its voting members as it considers advisable. Six voting members constitute a quorum. The commission shall adopt rules governing its procedures. No action of the commission is valid without the concurrence of six members.

Each voting member shall be compensated for work as a member for each day that the member is actually engaged in the performance of work as a member. No voting member shall be compensated for more than one day each month. In addition, each voting member shall be reimbursed for all actual and necessary expenses incurred in the performance of official business."

In line 90800, after "121.07," insert "121.31,"

In line 7 of the title, after "121.07," insert "121.31,"

In line 333, after "1751.05," insert "1751.15, 1751.16, 1751.18,"

In line 373, after "3923.11," insert "3923.122, 3923.58, 3923.581,"

In line 445, after "3903.77," insert "3923.582,"

Between lines 27690 through 27691 insert:

"**Sec. 1751.15.** (A) ~~After a health insuring corporation has furnished, directly or indirectly, basic health care services for a period of twenty-four months, and if it currently meets the financial requirements set forth in section 1751.28 of the Revised Code and had net income as reported to the superintendent of insurance for at least one of the preceding four calendar quarters, it shall hold an annual open enrollment period of not less than thirty days during its month of licensure for individuals who are not federally eligible individuals at the time they apply for enrollment.~~

~~(B) During the open enrollment period described in division (A) of this section, the health insuring corporation shall accept applicants and their dependents in the order in which they apply for enrollment and in accordance with any of the following:~~

~~(1) Up to its capacity, as determined by the health insuring corporation subject to review by the superintendent;~~

~~(2) If less than its capacity, one per cent of the health insuring corporation's total number of subscribers residing in this state as of the immediately preceding thirty-first day of December.~~

~~(C)~~ Where a health insuring corporation demonstrates to the satisfaction

~~of the superintendent that such open enrollment would jeopardize its economic viability, the superintendent may do any of the following:~~

~~(1) Waive the requirement for open enrollment;~~

~~(2) Impose a limit on the number of applicants and their dependents that must be enrolled;~~

~~(3) Authorize such underwriting restrictions upon open enrollment as are necessary to do any of the following:~~

~~(a) Preserve its financial stability;~~

~~(b) Prevent excessive adverse selection;~~

~~(c) Avoid unreasonably high or unmarketable charges for coverage of health care services.~~

~~(D)(1) A request to the superintendent under division (C) of this section for any restriction, limit, or waiver during an open enrollment period must be accompanied by supporting documentation, including financial data. In reviewing the request, the superintendent may consider various factors, including the size of the health insuring corporation, the health insuring corporation's net worth and profitability, the health insuring corporation's delivery system structure, and the effect on profitability of prior open enrollments.~~

~~(2) Any action taken by the superintendent under division (C) of this section shall be effective for a period of not more than one year. At the expiration of such time, a new demonstration of the health insuring corporation's need for the restriction, limit, or waiver shall be made before a new restriction, limit, or waiver is granted by the superintendent.~~

~~(3) Irrespective of the granting of any restriction, limit, or waiver by the superintendent, a health insuring corporation may reject an applicant or a dependent of the applicant during its open enrollment period if the applicant or dependent:~~

~~(a) Was eligible for and was covered under any employer-sponsored health care coverage, or if employer-sponsored health care coverage was available at the time of open enrollment;~~

~~(b) Is eligible for continuation coverage under state or federal law;~~

~~(c) Is eligible for medicare, and the health insuring corporation does not have an agreement on appropriate payment mechanisms with the governmental agency administering the medicare program.~~

~~(E) A health insuring corporation shall not be required either to enroll applicants or their dependents who are confined to a health care facility because of chronic illness, permanent injury, or other infirmity that would cause economic impairment to the health insuring corporation if such applicants or their dependents were enrolled or to make the effective date of benefits for applicants or their dependents enrolled under this section earlier than ninety days~~

~~after the date of enrollment.~~

~~(F) A health insuring corporation shall not be required to cover the fees or costs, or both, for any basic health care service related to a transplant of a body organ if the transplant occurs within one year after the effective date of an enrollee's coverage under this section. This limitation on coverage does not apply to a newly born child who meets the requirements for coverage under section 1751.61 of the Revised Code.~~

~~(G) Each health insuring corporation required to hold an open enrollment pursuant to division (A) of this section shall file with the superintendent, not later than sixty days prior to the commencement of the proposed open enrollment period, the following documents:~~

~~(1) The proposed public notice of open enrollment;~~

~~(2) The evidence of coverage approved pursuant to section 1751.11 of the Revised Code that will be used during open enrollment;~~

~~(3) The contractual periodic prepayment and premium rate approved pursuant to section 1751.12 of the Revised Code that will be applicable during open enrollment;~~

~~(4) Any solicitation document approved pursuant to section 1751.31 of the Revised Code to be sent to applicants, including the application form that will be used during open enrollment;~~

~~(5) A list of the proposed dates of publication of the public notice, and the names of the newspapers in which the notice will appear;~~

~~(6) Any request for a restriction, limit, or waiver with respect to the open enrollment period, along with any supporting documentation.~~

~~(H)(1) An open enrollment period shall not satisfy the requirements of this section unless the health insuring corporation provides adequate public notice in accordance with divisions (H)(2) and (3) of this section. No public notice shall be used until the form of the public notice has been filed by the health insuring corporation with the superintendent. If the superintendent does not disapprove the public notice within sixty days after it is filed, it shall be deemed approved, unless the superintendent sooner gives approval for the public notice. If the superintendent determines within this sixty-day period that the public notice fails to meet the requirements of this section, the superintendent shall so notify the health insuring corporation and it shall be unlawful for the health insuring corporation to use the public notice. Such disapproval shall be effected by a written order, which shall state the grounds for disapproval and shall be issued in accordance with Chapter 119. of the Revised Code.~~

~~(2) A public notice pursuant to division (H)(1) of this section shall be published in at least one newspaper of general circulation in each county in the health insuring corporation's service area, at least once in each of the two weeks immediately preceding the month in which the open enrollment is to occur and~~

~~in each week of that month, or until the enrollment limitation is reached, whichever occurs first. The notice published during the last week of open enrollment shall appear not less than five days before the end of the open enrollment period. It shall be at least two newspaper columns wide or two and one-half inches wide, whichever is larger. The first two lines of the text shall be published in not less than twelve-point, boldface type. The remainder of the text of the notice shall be published in not less than eight-point type. The entire public notice shall be surrounded by a continuous black line not less than one-eighth of an inch wide.~~

~~(3) The following information shall be included in the public notice provided under division (H)(2) of this section:~~

~~(a) The dates that open enrollment will be held and the date coverage obtained under the open enrollment will become effective;~~

~~(b) Notice that an applicant or the applicant's dependents will not be denied coverage during open enrollment because of a preexisting health condition, but that some limitations and restrictions may apply;~~

~~(c) The address where a person may obtain an application;~~

~~(d) The telephone number that a person may call to request an application or to ask questions;~~

~~(e) The date the first payment will be due;~~

~~(f) The actual rates or range of rates that will be applicable for applicants;~~

~~(g) Any limitation granted by the superintendent on the number of applications that will be accepted by the health insuring corporation.~~

~~(4) Within thirty days after the end of an open enrollment period, the health insuring corporation shall submit to the superintendent proof of publication for the public notices, and shall report the total number of applicants and their dependents enrolled during the open enrollment period.~~

~~(I)(1) No health insuring corporation may employ any scheme, plan, or device that restricts the ability of any person to enroll during open enrollment.~~

~~(2) No health insuring corporation may require enrollment to be made in person. Every health insuring corporation shall permit application for coverage by mail. A representative of the health insuring corporation may visit an applicant who has submitted an application by mail, in order to explain the operations of the health insuring corporation and to answer any questions the applicant may have. Every health insuring corporation shall make open enrollment applications and solicitation documents readily available to any potential applicant who requests such material.~~

~~(J) An application postmarked on the last day of an open enrollment period shall qualify as a valid application, regardless of the date on which it is received by the health insuring corporation.~~

~~(K) This section does not apply to any of the following:~~

~~(1) Any health insuring corporation that offers only supplemental health care services or specialty health care services;~~

~~(2) Any health insuring corporation that offers plans only through medicare, medicaid, or the children's buy-in program and that has no other commercial enrollment;~~

~~(3) Any health insuring corporation that offers plans only through other federal health care programs regulated by federal regulatory bodies and that has no other commercial enrollment;~~

~~(4) Any health insuring corporation that offers plans only through contracts covering officers or employees of the state that have been entered into by the department of administrative services and that has no other commercial enrollment.~~

~~(L)~~ Each health insuring corporation shall accept ~~federally eligible~~ individuals for open enrollment coverage as provided in ~~section~~ sections 3923.58 and 3923.581 of the Revised Code. A health insuring corporation may reinsure coverage of any ~~federally eligible~~ individual acquired under ~~that section~~ those sections with the open enrollment reinsurance program in accordance with division (G) of section 3924.11 of the Revised Code. Fixed periodic prepayment rates charged for coverage reinsured by the program shall be established in accordance with section 3924.12 of the Revised Code.

~~(M) As used in this section, "federally eligible individual" means an eligible individual as defined in 45 C.F.R. 148.103.~~

(B) This section does not apply to any of the following:

(1) Any health insuring corporation that offers only supplemental health care services or specialty health care services;

(2) Any health insuring corporation that offers plans only through medicare, medicaid, or the children's buy-in program and that has no other commercial enrollment;

(3) Any health insuring corporation that offers plans only through other federal health care programs regulated by federal regulatory bodies and that has no other commercial enrollment;

(4) Any health insuring corporation that offers plans only through contracts covering officers or employees of the state that have been entered into by the department of administrative services and that has no other commercial enrollment.

Sec. 1751.16. (A) Except as provided in division (F) of this section, every group contract issued by a health insuring corporation shall provide an option for conversion to an individual contract issued on a direct-payment basis to any subscriber covered by the group contract who terminates employment or

membership in the group, unless:

(1) Termination of the conversion option or contract is based upon nonpayment of premium after reasonable notice in writing has been given by the health insuring corporation to the subscriber.

(2) The subscriber is, or is eligible to be, covered for benefits at least comparable to the group contract under any of the following:

(a) Medicare;

(b) Any act of congress or law under this or any other state of the United States providing coverage at least comparable to the benefits under division (A)(2)(a) of this section;

(c) Any policy of insurance or health care plan providing coverage at least comparable to the benefits under division (A)(2)(a) of this section.

(B)(1) The direct-payment contract offered by the health insuring corporation pursuant to division (A) of this section shall provide the following:

(a) In the case of an individual who is not a federally eligible individual, benefits comparable to benefits in any of the individual contracts then being issued to individual subscribers by the health insuring corporation;

(b) In the case of a federally eligible individual, a basic and standard plan established ~~by the board of directors of the Ohio health reinsurance program~~ under section 3924.10 of the Revised Code or plans substantially similar to the basic and standard plan in benefit design and scope of covered services. For purposes of division (B)(1)(b) of this section, the superintendent of insurance shall determine whether a plan is substantially similar to the basic or standard plan in benefit design and scope of covered services. The contractual periodic prepayments charged for such plans may not exceed ~~an amount that is two times the midpoint of the standard~~ the amounts specified below:

(i) For calendar years 2010 and 2011, an amount that is two times the base rate charged any other individual of a group to which the organization is currently accepting new business and for which similar copayments and deductibles are applied ;

(ii) For calendar year 2012 and every calendar year thereafter, an amount that is one and one-half times the base rate charged any other individual of a group to which the health insuring corporation is currently accepting new business and for which similar copayments and deductibles are applied, unless the superintendent of insurance determines that the amendments by this act to sections 3923.58 and 3923.581 of the Revised Code, have resulted in the market-wide average medical loss ratio for coverage sold to individual insureds and nonemployer group insureds in this state, including open enrollment insureds, to increase by more than five and one quarter percentage points during calendar year 2010. If the superintendent makes that determination, the premium limit established by division (B)(1)(b)(i) of this section shall remain in effect.

(2) The direct payment contract offered pursuant to division (A) of this section may include a coordination of benefits provision as approved by the superintendent.

(3) For purposes of division (B) of this section ~~"federally~~ :

(a) "Federally eligible individual" means an eligible individual as defined in 45 C.F.R. 148.103.

(b) "Base rate" means, as to any health benefit plan that is issued by a health insuring corporation, the lowest premium rate for new or existing business prescribed by the health insuring corporation for the same or similar coverage under a plan or arrangement covering any individual in a group with similar case characteristics.

(C) The option for conversion shall be available:

(1) Upon the death of the subscriber, to the surviving spouse with respect to such of the spouse and dependents as are then covered by the group contract;

(2) To a child solely with respect to the child upon the child's attaining the limiting age of coverage under the group contract while covered as a dependent under the contract;

(3) Upon the divorce, dissolution, or annulment of the marriage of the subscriber, to the divorced spouse, or, in the event of annulment, to the former spouse of the subscriber.

(D) No health insuring corporation shall use age or health status as the basis for refusing to renew a converted contract.

(E) Written notice of the conversion option provided by this section shall be given to the subscriber by the health insuring corporation by mail. The notice shall be sent to the subscriber's address in the records of the employer upon receipt of notice from the employer of the event giving rise to the conversion option. If the subscriber has not received notice of the conversion privilege at least fifteen days prior to the expiration of the thirty-day conversion period, then the subscriber shall have an additional period within which to exercise the privilege. This additional period shall expire fifteen days after the subscriber receives notice, but in no event shall the period extend beyond sixty days after the expiration of the thirty-day conversion period.

(F) This section does not apply to any group contract offering only supplemental health care services or specialty health care services.

Sec. 1751.18. (A)(1) No health insuring corporation shall cancel or fail to renew the coverage of a subscriber or enrollee because of any health status-related factor in relation to the subscriber or enrollee, the subscriber's or enrollee's requirements for health care services, or for any other reason designated under rules adopted by the superintendent of insurance.

(2) Unless otherwise required by state or federal law, no health insuring

corporation, or health care facility or provider through which the health insuring corporation has made arrangements to provide health care services, shall discriminate against any individual with regard to enrollment, disenrollment, or the quality of health care services rendered, on the basis of the individual's race, color, sex, age, religion, military status as defined in section 4112.01 of the Revised Code, or status as a recipient of medicare or medicaid, or any health status-related factor in relation to the individual. However, a health insuring corporation shall not be required to accept a recipient of medicare or medical assistance, if an agreement has not been reached on appropriate payment mechanisms between the health insuring corporation and the governmental agency administering these programs. Further, except ~~during a period of~~ for open enrollment coverage under ~~section 1751.15~~ sections 3923.58 and 3923.581 of the Revised Code, a health insuring corporation may reject an applicant for nongroup enrollment on the basis of any health status-related factor in relation to the applicant.

(B) A health insuring corporation may cancel or decide not to renew the coverage of an enrollee if the enrollee has performed an act or practice that constitutes fraud or intentional misrepresentation of material fact under the terms of the coverage and if the cancellation or nonrenewal is not based, either directly or indirectly, on any health status-related factor in relation to the enrollee.

(C) An enrollee may appeal any action or decision of a health insuring corporation taken pursuant to section 2742(b) to (e) of the "Health Insurance Portability and Accountability Act of 1996," Pub. L. No. 104-191, 110 Stat. 1955, 42 U.S.C.A. 300gg-42, as amended. To appeal, the enrollee may submit a written complaint to the health insuring corporation pursuant to section 1751.19 of the Revised Code. The enrollee may, within thirty days after receiving a written response from the health insuring corporation, appeal the health insuring corporation's action or decision to the superintendent.

(D) As used in this section, "health status-related factor" means any of the following:

(1) Health status;

(2) Medical condition, including both physical and mental illnesses;

(3) Claims experience;

(4) Receipt of health care;

(5) Medical history;

(6) Genetic information;

(7) Evidence of insurability, including conditions arising out of acts of domestic violence;

(8) Disability."

Between lines 59382 and 59383, insert:

"**Sec. 3923.122.** (A) Every policy of group sickness and accident insurance providing hospital, surgical, or medical expense coverage for other than specific diseases or accidents only, and delivered, issued for delivery, or renewed in this state on or after January 1, 1976, shall include a provision giving each insured the option to convert to the following:

(1) In the case of an individual who is not a federally eligible individual, any of the individual policies of hospital, surgical, or medical expense insurance then being issued by the insurer with benefit limits not to exceed those in effect under the group policy;

(2) In the case of a federally eligible individual, a basic or standard plan established ~~by the board of directors of the Ohio health reinsurance program~~ in accordance with section 3924.10 of the Revised Code or plans substantially similar to the basic and standard plan in benefit design and scope of covered services. For purposes of division (A)(2) of this section, the superintendent of insurance shall determine whether a plan is substantially similar to the basic or standard plan in benefit design and scope of covered services.

(B) An option for conversion to an individual policy shall be available without evidence of insurability to every insured, including any person eligible under division (D) of this section, who terminates employment or membership in the group holding the policy after having been continuously insured thereunder for at least one year.

Upon receipt of the insured's written application and upon payment of at least the first quarterly premium not later than thirty-one days after the termination of coverage under the group policy, the insurer shall issue a converted policy on a form then available for conversion. The premium shall be in accordance with the insurer's table of premium rates in effect on the later of the following dates:

(1) The effective date of the converted policy;

(2) The date of application therefor; and shall be applicable to the class of risk to which each person covered belongs and to the form and amount of the policy at the person's then attained age. However, premiums charged federally eligible individuals may not exceed ~~an amount that is two times the midpoint of the standard~~ the amounts specified below:

(a) For calendar years 2010 and 2011, an amount that is two times the base rate charged any other individual of a group to which the insurer is currently accepting new business and for which similar copayments and deductibles are applied ;

(b) For calendar year 2012 and every year thereafter, an amount that is one and one-half times the base rate charged any other individual of a group to which the insurer is currently accepting new business and for which similar copayments and deductibles are applied, unless the superintendent of insurance determines that the amendments by this act to sections 3923.58 and 3923.581 of

the Revised Code, have resulted in the market-wide average medical loss ratio for coverage sold to individual insureds and nonemployer group insureds in this state, including open enrollment insureds, to increase by more than five and one quarter percentage points during calendar year 2010. If the superintendent makes that determination, the premium limit established by division (B)(2)(a) of this section shall remain in effect.

At the election of the insurer, a separate converted policy may be issued to cover any dependent of an employee or member of the group.

Except as provided in division (H) of this section, any converted policy shall become effective as of the day following the date of termination of insurance under the group policy.

Any probationary or waiting period set forth in the converted policy is deemed to commence on the effective date of the insured's coverage under the group policy.

(C) No insurer shall be required to issue a converted policy to any person who is, or is eligible to be, covered for benefits at least comparable to the group policy under:

(1) Title XVIII of the Social Security Act, as amended or superseded;

(2) Any act of congress or law under this or any other state of the United States that duplicates coverage offered under division (C)(1) of this section;

(3) Any policy that duplicates coverage offered under division (C)(1) of this section;

(4) Any other group sickness and accident insurance providing hospital, surgical, or medical expense coverage for other than specific diseases or accidents only.

(D) The option for conversion shall be available:

(1) Upon the death of the employee or member, to the surviving spouse with respect to such of the spouse and dependents as are then covered by the group policy;

(2) To a child solely with respect to the child upon attaining the limiting age of coverage under the group policy while covered as a dependent thereunder;

(3) Upon the divorce, dissolution, or annulment of the marriage of the employee or member, to the divorced spouse, or former spouse in the event of annulment, of such employee or member, or upon the legal separation of the spouse from such employee or member, to the spouse.

Persons possessing the option for conversion pursuant to this division shall be considered members for the purposes of division (H) of this section.

(E) If coverage is continued under a group policy on an employee following retirement prior to the time the employee is, or is eligible to be,

covered by Title XVIII of the Social Security Act, the employee may elect, in lieu of the continuance of group insurance, to have the same conversion rights as would apply had the employee's insurance terminated at retirement by reason of termination of employment.

(F) If the insurer and the group policyholder agree upon one or more additional plans of benefits to be available for converted policies, the applicant for the converted policy may elect such a plan in lieu of a converted policy.

(G) The converted policy may contain provisions for avoiding duplication of benefits provided pursuant to divisions (C)(1), (2), (3), and (4) of this section or provided under any other insured or noninsured plan or program.

(H) If an employee or member becomes entitled to obtain a converted policy pursuant to this section, and if the employee or member has not received notice of the conversion privilege at least fifteen days prior to the expiration of the thirty-one-day conversion period provided in division (B) of this section, then the employee or member has an additional period within which to exercise the privilege. This additional period shall expire fifteen days after the employee or member receives notice, but in no event shall the period extend beyond sixty days after the expiration of the thirty-one-day conversion period.

Written notice presented to the employee or member, or mailed by the policyholder to the last known address of the employee or member as indicated on its records, constitutes notice for the purpose of this division. In the case of a person who is eligible for a converted policy under division (D)(2) or (D)(3) of this section, a policyholder shall not be responsible for presenting or mailing such notice, unless such policyholder has actual knowledge of the person's eligibility for a converted policy.

If an additional period is allowed by an employee or member for the exercise of a conversion privilege, and if written application for the converted policy, accompanied by at least the first quarterly premium, is made after the expiration of the thirty-one-day conversion period, but within the additional period allowed an employee or member in accordance with this division, the effective date of the converted policy shall be the date of application.

(I) The converted policy may provide that any hospital, surgical, or medical expense benefits otherwise payable with respect to any person may be reduced by the amount of any such benefits payable under the group policy for the same loss after termination of coverage.

(J) The converted policy may contain:

(1) Any exclusion, reduction, or limitation contained in the group policy or customarily used in individual policies issued by the insurer;

(2) Any provision permitted in this section;

(3) Any other provision not prohibited by law.

Any provision required or permitted in this section may be made a part of

any converted policy by means of an endorsement or rider.

(K) The time limit specified in a converted policy for certain defenses with respect to any person who was covered by a group policy shall commence on the effective date of such person's coverage under the group policy.

(L) No insurer shall use deterioration of health as the basis for refusing to renew a converted policy.

(M) No insurer shall use age or health status as the basis for refusing to renew a converted policy.

(N) A converted policy made available pursuant to this section shall, if delivery of the policy is to be made in this state, comply with this section. If delivery of a converted policy is to be made in another state, it may be on a form offered by the insurer in the jurisdiction where the delivery is to be made and which provides benefits substantially in compliance with those required in a policy delivered in this state.

(O) As used in this section ~~, "federally~~ :

(1) "Base rate" means, as to any health benefit plan that is issued by an insurer in the individual market, the lowest premium rate for new or existing business prescribed by the insurer for the same or similar coverage under a plan or arrangement covering any individual of a group with similar case characteristics.

(2) "Federally eligible individual" means an eligible individual as defined in 45 C.F.R. 148.103.

Sec. 3923.58. (A) As used in sections 3923.58 and 3923.59 of the Revised Code:

(1) ~~"Health~~ "Base rate" means, as to any health benefit plan that is issued by a carrier in the individual market, the lowest premium rate for new or existing business prescribed by the carrier for the same or similar coverage under a plan or arrangement covering any individual with similar case characteristics.

(2) "Carrier," "health benefit plan ," and "MEWA" have the same meanings as in section 3924.01 of the Revised Code.

~~(2) "Insurer" means any sickness and accident insurance company authorized to do business in this state, or MEWA authorized to issue insured health benefit plans in this state. "Insurer" does not include any health insuring corporation that is owned or operated by an insurer.~~

(3) "Network plan" means a health benefit plan of a carrier under which the financing and delivery of medical care, including items and services paid for as medical care, are provided, in whole or in part, through a defined set of providers under contract with the carrier.

(4) "Ohio health care basic and standard plans" means those plans established under section 3924.10 of the Revised Code.

(5) "Pre-existing conditions provision" means a policy provision that excludes or limits coverage for charges or expenses incurred during a specified period following the insured's effective date of coverage as to a condition which, during a specified period immediately preceding the effective date of coverage, had manifested itself in such a manner as would cause an ordinarily prudent person to seek medical advice, diagnosis, care, or treatment or for which medical advice, diagnosis, care, or treatment was recommended or received, or a pregnancy existing on the effective date of coverage.

(B) Beginning in January of each year, ~~insurers~~ carriers in the business of issuing ~~individual policies of sickness and accident insurance as contemplated by section 3923.021 of the Revised Code~~ health benefit plans to individuals and nonemployer groups, except individual ~~policies~~ health benefit plans issued pursuant to ~~section~~ sections 1751.16 and 3923.122 of the Revised Code, shall accept applicants for open enrollment coverage, as set forth in this division, in the order in which they apply for coverage and subject to the limitation set forth in division (G) of this section. ~~Insurers~~ Carriers shall accept for coverage pursuant to this section individuals to whom both of the following conditions apply:

(1) The individual is not applying for coverage as an employee of an employer, as a member of an association, or as a member of any other group.

(2) The individual is not covered, and is not eligible for coverage, under any other private or public health benefits arrangement, including the medicare program established under Title XVIII of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301, as amended, or any other act of congress or law of this or any other state of the United States that provides benefits comparable to the benefits provided under this section, any medicare supplement policy, or any continuation of coverage policy under state or federal law.

(C) ~~An insurer~~ A carrier shall offer to any individual accepted under this section the Ohio health care basic and standard plans ~~established by the board of directors of the Ohio health reinsurance program under division (A) of section 3924.10 of the Revised Code~~ or health benefit plans that are substantially similar to the Ohio health care basic and standard plans in benefit plan design and scope of covered services.

~~An insurer~~ A carrier may offer other health benefit plans in addition to, but not in lieu of, the plans required to be offered under this division. A basic health benefit plan shall provide, at a minimum, the coverage provided by the Ohio health care basic plan or any health benefit plan that is substantially similar to the Ohio health care basic plan in benefit plan design and scope of covered services. A standard health benefit plan shall provide, at a minimum, the coverage provided by the Ohio health care standard plan or any health benefit plan that is substantially similar to the Ohio health care standard plan in benefit plan design and scope of covered services.

For purposes of this division, the superintendent of insurance shall

determine whether a health benefit plan is substantially similar to the Ohio health care basic and standard plans in benefit plan design and scope of covered services.

(D) (1) Health benefit plans issued under this section may establish pre-existing conditions provisions that exclude or limit coverage for a period of up to twelve months following the individual's effective date of coverage and that may relate only to conditions during the six months immediately preceding the effective date of coverage. A health insuring corporation may apply a pre-existing condition provision for any basic health care service related to a transplant of a body organ if the transplant occurs within one year after the effective date of an enrollee's coverage under this section except with respect to a newly born child who meets the requirements for coverage under section 1751.61 of the Revised Code.

(2) In determining whether a pre-existing conditions provision applies to an insured or dependent, each policy shall credit the time the insured or dependent was covered under a previous policy, contract, or plan if the previous coverage was continuous to a date not more than sixty-three days prior to the effective date of the new coverage, exclusive of any applicable service waiting period under the policy.

(E) Premiums charged to individuals under this section may not exceed ~~an amount that is two and one-half times the highest~~ the amounts specified below:

(1) For calendar years 2010 and 2011, an amount that is two times the base rate ~~charged~~ for coverage offered to any other individual to which the ~~insurer~~ carrier is currently accepting new business, and for which similar copayments and deductibles are applied ;

(2) For calendar year 2012 and every year thereafter, an amount that is one and one-half times the base rate for coverage offered to any other individual to which the carrier is currently accepting new business and for which similar copayments and deductibles are applied, unless the superintendent of insurance determines that the amendments by this act to this section and section 3923.581 of the Revised Code, have resulted in the market-wide average medical loss ratio for coverage sold to individual insureds and nonemployer group insureds in this state, including open enrollment insureds, to increase by more than five and one quarter percentage points during calendar year 2010. If the superintendent makes that determination, the premium limit established by division (E)(1) of this section shall remain in effect. The superintendent's determination shall be supported by a signed letter from a member of the American academy of actuaries.

(F) In offering health benefit plans under this section, ~~an insurer~~ a carrier may require the purchase of health benefit plans that condition the reimbursement of health services upon the use of a specific network of providers.

(G)(1) ~~In no event shall an insurer~~ A carrier shall not be required to accept ~~annually~~ new applicants under this section if the total number of the carrier's current insureds with open enrollment coverage issued under this section ~~individuals who, in the aggregate, would cause the insurer to have a total number of new insureds that is more than one-half per cent of its total number of insured individuals in this state per year, as contemplated by section 3923.021 of the Revised Code,~~ calculated as of the immediately preceding thirty-first day of December and excluding the ~~insurer's~~ carrier's medicare supplement policies and conversion or continuation of coverage policies under state or federal law and any policies described in division (L) of this section meets the following limits:

(a) For calendar years 2010 and 2011, four per cent of the carrier's total number of individual or nonemployer group insureds in this state;

(b) For calendar year 2012 and every year thereafter, eight per cent of the carrier's total number of insured individuals and nonemployer group insureds in this state, unless the superintendent of insurance determines that the amendments by this act to this section and section 3923.581 of the Revised Code, have resulted in the market-wide average medical loss ratio for coverage sold to individual insureds and nonemployer group insureds in this state, including open enrollment insureds, to increase by more than five and one quarter percentage points during calendar year 2010. If the superintendent makes that determination, the enrollment limit established by division (G)(1)(a) of this section shall remain in effect. The superintendent's determination shall be supported by a signed letter from a member of the American academy of actuaries.

(2) An officer of the ~~insurer~~ carrier shall certify to the department of insurance when it has met the enrollment limit set forth in division (G)(1) of this section. Upon providing such certification, the ~~insurer~~ carrier shall be relieved of its open enrollment requirement under this section ~~for the remainder of the calendar year~~ as long as the carrier continues to meet the open enrollment limit. If the total number of the carrier's current insureds with open enrollment coverage issued under this section falls below the enrollment limit, the carrier shall accept new applicants. A carrier may establish a waiting list if the carrier has met the open enrollment limit and shall notify the superintendent if the carrier has a waiting list in effect.

(H) ~~An insurer~~ A carrier shall not be required to accept under this section applicants who, at the time of enrollment, are confined to a health care facility because of chronic illness, permanent injury, or other infirmity that would cause economic impairment to the ~~insurer~~ carrier if the applicants were accepted ~~, or~~ . A carrier shall not be required to make the effective date of benefits for individuals accepted under this section earlier than ninety days after the date of acceptance , except that when the individual had prior coverage with a health benefit plan that was terminated by a carrier because the carrier exited the market and the individual was accepted for open enrollment under this section within sixty-three days of that termination, the effective date of benefits shall be

the date of enrollment.

(I) The requirements of this section do not apply to any ~~insurer~~ carrier that is currently in a state of supervision, insolvency, or liquidation. If ~~an insurer~~ a carrier demonstrates to the satisfaction of the superintendent that the requirements of this section would place the ~~insurer~~ carrier in a state of supervision, insolvency, or liquidation, or would otherwise jeopardize the carrier's economic viability overall or in the individual market, the superintendent may waive or modify the requirements of division (B) or (G) of this section. The actions of the superintendent under this division shall be effective for a period of not more than one year. At the expiration of such time, a new showing of need for a waiver or modification by the ~~insurer~~ carrier shall be made before a new waiver or modification is issued or imposed.

(J) No hospital, health care facility, or health care practitioner, and no person who employs any health care practitioner, shall balance bill any individual or dependent of an individual for any health care supplies or services provided to the individual or dependent who is insured under a policy issued under this section. The hospital, health care facility, or health care practitioner, or any person that employs the health care practitioner, shall accept payments made to it by the ~~insurer~~ carrier under the terms of the policy or contract insuring or covering such individual as payment in full for such health care supplies or services.

As used in this division, "hospital" has the same meaning as in section 3727.01 of the Revised Code; "health care practitioner" has the same meaning as in section 4769.01 of the Revised Code; and "balance bill" means charging or collecting an amount in excess of the amount reimbursable or payable under the policy or health care service contract issued to an individual under this section for such health care supply or service. "Balance bill" does not include charging for or collecting copayments or deductibles required by the policy or contract.

(K) ~~An insurer shall~~ A carrier may pay an agent a commission in the amount of not more than five per cent of the premium charged for initial placement or for otherwise securing the issuance of a policy or contract issued to an individual under this section, and not more than four per cent of the premium charged for the renewal of such a policy or contract. The superintendent may adopt, in accordance with Chapter 119. of the Revised Code, such rules as are necessary to enforce this division.

(L) This section does not apply to any policy that provides coverage for specific diseases or accidents only, or to any hospital indemnity, medicare supplement, long-term care, disability income, one-time-limited-duration policy of no longer than six months, or other policy that offers only supplemental benefits.

(M) If a carrier offers a health benefit plan in the individual market through a network plan, the carrier may do both of the following:

(1) Limit the individuals that may apply for such coverage to those who

live, work, or reside in the service area of the network plan;

(2) Within the service area of the network plan, deny the coverage to individuals if the carrier has demonstrated both of the following to the superintendent:

(a) The carrier will not have the capacity to deliver services adequately to any additional individuals because of the carrier's obligations to existing group contract holders and individuals.

(b) The carrier is applying division (M)(2) of this section uniformly to all individuals without regard to any health status-related factors of those individuals.

(N) A carrier that, pursuant to division (M)(2) of this section, denies coverage to an individual in the service area of a network plan, shall not offer coverage in the individual market within that service area for at least one hundred eighty days after the date the carrier denies the coverage.

Sec. 3923.581. (A) As used in this section:

(1) "Base rate" means, as to any health benefit plan that is issued by a carrier in the individual market, the lowest premium rate for new or existing business prescribed by the carrier for the same or similar coverage under a plan or arrangement covering any individual with similar case characteristics.

(2) "Carrier," "health benefit plan," "MEWA," and "pre-existing conditions provision" have the same meanings as in section 3924.01 of the Revised Code.

~~(2)~~ (3) "Federally eligible individual" means an eligible individual as defined in 45 C.F.R. 148.103.

~~(3)~~ (4) "Health status-related factor" means any of the following:

(a) Health status;

(b) Medical condition, including both physical and mental illnesses;

(c) Claims experience;

(d) Receipt of health care;

(e) Medical history;

(f) Genetic information;

(g) Evidence of insurability, including conditions arising out of acts of domestic violence;

(h) Disability.

~~(4) "Midpoint rate" means, for individuals with similar case characteristics and plan designs and as determined by the applicable carrier for a rating period, the arithmetic average of the applicable base premium rate and the~~

~~corresponding highest premium rate.~~

(5) "Network plan" means a health benefit plan of a carrier under which the financing and delivery of medical care, including items and services paid for as medical care, are provided, in whole or in part, through a defined set of providers under contract with the carrier.

(6) "Ohio health care basic and standard plans" means those plans established under section 3924.10 of the Revised Code.

(B) Beginning in January of each year, carriers in the business of issuing health benefit plans to individuals or nonemployer groups shall accept federally eligible individuals for open enrollment coverage, as provided in this section, in the order in which they apply for coverage and subject to the limitation set forth in division (J) of this section.

(C) No carrier shall do either of the following:

(1) Decline to offer such coverage to, or deny enrollment of, such individuals;

(2) Apply any pre-existing conditions provision to such coverage.

(D) A carrier shall offer to federally eligible individuals the Ohio health care basic and standard ~~plan established by the board of directors of the Ohio health reinsurance program~~ plans or plans substantially similar to the basic and standard ~~plan~~ plans in benefit design and scope of covered services. For purposes of this division, the superintendent of insurance shall determine whether a plan is substantially similar to the basic or standard plan in benefit design and scope of covered services.

(E) Premiums charged to individuals under this section may not exceed ~~an amount that is two times the midpoint~~ the amounts specified below:

(1) For calendar years 2010 and 2011, an amount that is two times the base rate ~~charged~~ for coverage offered to any other individual to which the carrier is currently accepting new business, and for which similar copayments and deductibles are applied ;

(2) For calendar year 2012 and every calendar year thereafter, an amount that is one and one-half times the base rate for coverage offered to any other individual to which the carrier is currently accepting new business and for which similar copayments and deductibles are applied, unless the superintendent of insurance determines that the amendments by this act to this section and section 3923.58 of the Revised Code, have resulted in a market-wide average medical loss ratio for coverage sold to individual insureds and nonemployer group insureds in this state, including open enrollment insureds, to increase by more than five and one quarter percentage points during calendar year 2010. If the superintendent makes that determination, the premium limit established by division (E)(1) of this section shall remain in effect. The superintendent's determination shall be supported by a signed letter from a member of the

American academy of actuaries.

(F) If a carrier offers a health benefit plan in the individual market through a network plan, the carrier may do both of the following:

(1) Limit the federally eligible individuals that may apply for such coverage to those who live, work, or reside in the service area of the network plan;

(2) Within the service area of the network plan, deny the coverage to federally eligible individuals if the carrier has demonstrated both of the following to the superintendent:

(a) The carrier will not have the capacity to deliver services adequately ~~t~~ to any additional individuals because of the carrier's obligations to existing group contract holders and individuals.

(b) The carrier is applying division (F)(2) of this section uniformly to all federally eligible individuals without regard to any health status-related factor of those individuals.

(G) A carrier that, pursuant to division (F)(2) of this section, denies coverage to an individual in the service area of a network plan, shall not offer coverage in the individual market within that service area for at least one hundred eighty days after the date the coverage is denied.

(H) A carrier may refuse to issue health benefit plans to federally eligible individuals if the carrier has demonstrated both of the following to the superintendent:

(1) The carrier does not have the financial reserves necessary to underwrite additional coverage.

(2) The carrier is applying division (H) of this section uniformly to all federally eligible individuals in this state consistent with the applicable laws and rules of this state and without regard to any health status-related factor relating to those individuals.

(I) A carrier that, pursuant to division (H) of this section, refuses to issue health benefit plans to federally eligible individuals, shall not offer health benefit plans in the individual market in this state for at least one hundred eighty days after the date the coverage is denied or until the carrier has demonstrated to the superintendent that the carrier has sufficient financial reserves to underwrite additional coverage, whichever is later.

(J)(1) Except as provided in division (J)(2) of this section, a carrier shall not be required to accept ~~annually~~ new applicants under this section ~~federally eligible individuals who, in the aggregate, would cause the carrier to have a total number of new insureds that is more than one-half per cent of its total number of insured individuals and nonemployer groups in this state per year,~~ if the total number of the carrier's current insureds with open enrollment coverage issued under this section calculated as of the immediately preceding thirty-first day of

December and excluding the carrier's medicare supplement policies and conversion or continuation of coverage policies under state or federal law and any policies described in division ~~(M)~~ (L) of section 3923.58 of the Revised Code meets the following limits:

(a) For calendar years 2010 and 2011, four per cent of the carrier's total number of individual or nonemployer group insureds in this state;

(b) For calendar year 2012 and every year thereafter, eight per cent of the carrier's total number of insured individuals and nonemployer group insureds in this state, unless the superintendent of insurance determines that the amendments by this act to this section and section 3923.58 of the Revised Code, have resulted in the market-wide average medical loss ratio for coverage sold to individual insureds and nonemployer group insureds in this state, including open enrollment insureds, to increase by more than five and one quarter percentage points during calendar year 2010. If the superintendent makes that determination, the enrollment limit established by division (J)(1)(a) shall remain in effect. The superintendent's determination shall be supported by a signed letter from a member of the American academy of actuaries.

(2) An officer of the carrier shall certify to the department of insurance when it has met the enrollment limit set forth in division (J)(1) of this section. Upon providing such certification, the carrier shall be relieved of its open enrollment requirement under this section for ~~the remainder of the calendar year unless, prior to the end of the calendar year,~~ as long as the carrier continues to meet the open enrollment limit. If the total number of the carrier's current insureds with open enrollment coverage issued under this section falls below the enrollment limit, the carrier shall accept new applicants. A carrier may establish a waiting list if the carrier has met the open enrollment limit and shall notify the superintendent if the carrier has a waiting list in effect. In the event that all the carriers subject to this section have individually met the enrollment limit set forth in division (J)(1) of this section ~~. In that event~~ in a calendar year, carriers shall again accept applicants for open enrollment coverage pursuant to this section, subject to ~~the~~ an additional enrollment limit equal to one-half of the limitation set forth in division (J)(1) of this section.

(K) The superintendent may provide for the application of this section on a service-area-specific basis.

(L) The requirements of this section do not apply to any health benefit plan described in division ~~(M)~~ (L) of section 3923.58 of the Revised Code.

(M) A carrier may pay an agent a commission in the amount of not more than five per cent of the premium charged for initial placement or for otherwise securing the issuance of a policy or contract issued to an individual under this section, and not more than four per cent of the premium charged for the renewal of such a policy or contract. The superintendent may adopt, in accordance with Chapter 119. of the Revised Code, such rules as are necessary to enforce this division.

Sec. 3923.582. (A) The superintendent of insurance may adopt rules in accordance with Chapter 119. of the Revised Code to implement sections 3923.58 and 3923.581 of the Revised Code, including, but not limited to, rules relating to both of the following:

(1) Requirements for adequate notice by carriers to consumers of the availability and premium rates of open enrollment coverage;

(2) Reporting and data collection requirements for implementation of the open enrollment program and to evaluate the performance of the open enrollment program and the individual health insurance market of this state.

(B) On or before June 30, beginning calendar year 2011 and continuing every year thereafter, the superintendent shall issue a report to the governor and the general assembly on the open enrollment program and the performance of the individual health insurance market in this state. The report shall include a determination by the superintendent, supported by a signed letter from a member of the American academy of actuaries, as to whether the amendments by this act to sections 3923.58 and 3923.581 of the Revised Code, have caused the market-wide average medical loss ratio for coverage sold to individual insureds and nonemployer group insureds in this state, including open enrollment insureds, to increase and, if so, by how many percentage points."

In line 90835, after "1751.05," insert "1751.15, 1751.16, 1751.18,"

In line 90875, after "3923.11," insert "3923.122, 3923.58, 3923.581,"

In line 54 of the title, after "1751.05," insert "1751.15, 1751.16, 1751.18,"

In line 110 of the title, after "3923.11," insert "3923.122, 3923.58, 3923.581,"

In line 206 of the title, after "3903.77," insert "3923.582,"

In line 28079, strike through "either"; strike through "or afford the enrollee"

Strike through line 28080

In line 28081, strike through "1751.85 of the Revised Code"

In line 399, delete "5111.023,"

In line 405, delete "5111.912, 5111.913,"

Delete lines 74663 through 74710

Delete lines 78225 through 78256

In line 90902, delete "5111.023,"

In line 90908, delete "5111.912, 5111.913,"

Between lines 98110 and 98111, insert:

"**Section 309.32.____.** FUNDING OF MEDICAID-COVERED COMMUNITY BEHAVIORAL HEALTH SERVICES

(A) As used in this section:

"Community behavioral health boards" means boards of alcohol, drug addiction, and mental health services; community mental health boards; and alcohol and drug addiction services boards.

"Community mental health facility" has the same meaning as in section 5111.023 of the Revised Code.

(B) Notwithstanding any conflicting provision of sections 5111.912 and 5111.913 of the Revised Code, both of the following apply to community behavioral health boards with respect to payments made under those sections for the nonfederal share of Medicaid payments to providers for services under a Medicaid component, or aspect of a component, the Department of Mental Health or Department of Alcohol and Drug Addiction Services administers:

(1) A community behavioral health board shall use state funds provided to the board for the purpose of funding community mental health services to make the payments.

(2) In addition to the funds used under division (B)(1) of this section, a community behavioral health board may use money available to the board that is raised by a county tax levy to make the payments if using the money for that purpose is consistent with the purpose for which the tax was levied.

(C) Notwithstanding division (C) of section 5111.023 of the Revised Code, the comprehensive annual plan specified in that division may certify the availability of unencumbered community mental health local funds to match federal Medicaid reimbursement funds earned by community mental health facilities.

(D) This section expires on July 1, 2011."

In line 147 of the title, delete "5111.023,"

In line 154 of the title, delete "5111.912, 5111.913,"

In line 372, delete "3781.01," and insert "3781.07,"

Delete lines 58392 through 58438 and insert:

"**Sec. 3781.07.** There is hereby established in the department of commerce a board of building standards consisting of ~~eleven~~ fifteen members appointed by the governor with the advice and consent of the senate. The board shall appoint a secretary who shall serve in the unclassified civil service for a term of six years at a salary fixed pursuant to Chapter 124. of the Revised Code. The board may employ additional staff in the classified civil service. The secretary may be removed by the board under the rules the board adopts. Terms of office shall be for four years, commencing on the fourteenth day of October and ending on the thirteenth day of October. Each member shall hold office from

the date of appointment until the end of the term for which the member was appointed. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall hold office for the remainder of such term. Any member shall continue in office subsequent to the expiration date of the member's term until the member's successor takes office, or until a period of sixty days has elapsed, whichever occurs first. One of the members appointed to the board shall be an attorney at law, admitted to the bar of this state; two shall be registered architects; two shall be professional engineers, one in the field of mechanical and one in the field of structural engineering, each of whom shall be duly licensed to practice such profession in this state; one shall be a person of recognized ability, broad training, and fifteen years experience in problems and practice incidental to the construction and equipment of buildings specified in section 3781.06 of the Revised Code; one shall be a person with recognized ability and experience in the manufacture and construction of industrialized units as defined in section 3781.06 of the Revised Code; one shall be a member of the fire service with recognized ability and broad training in the field of fire protection and suppression; one shall be a person with at least ten years of experience and recognized expertise in building codes and standards and the manufacture of construction materials; one shall be a general contractor with experience in residential and commercial construction; two, chosen from a list of ten names the Ohio home builders association submits to the governor, shall be general contractors who have recognized ability in the construction of residential buildings; one shall be a person with recognized ability and experience in the use of advanced and renewable energy in the construction of commercial and residential buildings; one shall be a person with recognized ability and experience in the use of energy conservation in the construction of commercial and residential buildings; and one, chosen from a list of three names the Ohio municipal league submits to the governor, shall be the mayor of a municipal corporation in which the Ohio residential and nonresidential building codes are being enforced in the municipal corporation by a certified building department. Each member of the board, not otherwise required to take an oath of office, shall take the oath prescribed by the constitution. Each member shall receive as compensation an amount fixed pursuant to division (J) of section 124.15 of the Revised Code, and shall receive actual and necessary expenses in the performance of official duties. The amount of such expenses shall be certified by the secretary of the board and paid in the same manner as the expenses of employees of the department of commerce are paid."

Delete line 58448

In line 58449, delete " plumbing standards."

In line 58468, delete " limited by" and insert " provided in"

In line 58665, after "(I)" insert " (1)"; delete " shall" and insert " may"

In line 58666, delete " or to"

Delete lines 58667 and 58668

In line 58669, delete " that enforce the state residential building code"

In line 58670, delete " (D)(2)" and insert " (E)"

Delete lines 58672 through 58678 and insert:

" (2) If the board receives a proposed rule to update or amend the state residential building code as provided in division (I)(1) of this section, the board either may accept or reject the proposed rule for incorporation into the residential building code. If the board does not act to either accept or reject the proposed rule within ninety days after receiving the proposed rule from the committee as described in division (I)(1) of this section, the proposed rule shall become part of the residential building code."

In line 58687, delete " except for any"

Delete lines 58688 through 58690

In line 58691, delete " state residential building code,"

In line 58703, delete " or to update or amend rules that"

Delete lines 58704 and 58705

In line 58706, delete everything before the underlined period

In line 69750, reinsert "the director of commerce"

In line 69751, reinsert "appoints. Of the advisory committee's members, three"; delete " appointed in"

Delete lines 69752 and 69753

In line 69754, delete " (1) Three"

In line 69756, reinsert ", two"; delete the underlined semicolon

In line 69757, delete " (2) Two"

In line 69758, reinsert ", one,"

Reinsert line 69759

In line 69760, reinsert "association submits,"; delete the underlined semicolon

In line 69761, delete " (3) One"

In line 69763, reinsert ", one"; delete the underlined semicolon

In line 69764, delete " (4) One"

In line 69766, reinsert ", one"; delete the underlined semicolon

In line 69767, delete " (5) One"

In line 69769, reinsert ", and one, chosen from"

Reinsert line 69770

In line 69771, reinsert "director," and delete the underlined semicolon

In line 69772, delete " (6) One"

In line 69775, after "(B)" reinsert the balance of the line

In line 69776, reinsert "committee within ninety days after May 27, 2005."; delete " The speaker of"

Delete lines 69777 through 69791

In line 69792, delete " (C)"

In line 69795, reinsert "The director"

In line 69796, reinsert "shall fill a" and delete " A"; delete " shall be filled"

In line 69800, reinsert "(C)" and delete " (D)"

In line 69810, after "(2)" delete the balance of the line

Delete lines 69811 through 69815

In line 69816, delete " (3)"

In line 69819, reinsert "(3)" and delete " (4)"

In line 69822, reinsert "(4)" and delete " (5)"

In line 69824, reinsert "(5)" and delete " (6)"

In line 69826, delete " (7)" and insert " (6)"

In line 69828, delete " (E)" and insert " (D)"; delete the underlined semicolon

Delete lines 69829 through 69832

In line 69833, delete " (A)(2) of section 3781.12 of the Revised Code"

In line 69834, reinsert "(D)"; delete " (E)"

In line 69835, after " ~~division~~" insert " divisions"; reinsert "(C)"; delete " divisions"

In line 69836, delete " (D)"; delete " (3), (5),"; delete " (8)" and insert " (4)"

Between lines 69846 and 69847, insert:

" (E) The advisory committee may provide the board with any rule the committee recommends to update or amend the state residential building code or any rule that the committee recommends to update or amend the state residential building code after receiving a petition described in division (A)(2) of section 3781.12 of the Revised Code."

In line 90874, delete "3781.01," and insert "3781.07,"

In line 105572, after "**747.10.**" delete the balance of the line

Delete lines 105573 through 105614 and insert "The Governor shall appoint the members, who are general contractors who have recognized ability and experience in the construction of residential buildings and persons with recognized ability and experience in the use of advanced and renewable energy and the use of energy conservation in the construction of commercial and residential buildings, added to the Board of Building Standards by section 3781.07 of the Revised Code, as amended by this act, within sixty days after the effective date of section 3781.07 of the Revised Code as amended by this act. The terms of the members who are general contractors who have recognized ability and experience in the construction of residential buildings appointed pursuant to this section shall expire on October 13, 2012. The term of the member who has recognized ability and experience in the use of advanced and renewable energy in the construction of commercial and residential buildings appointed pursuant to this section shall expire on October 13, 2011. The term of the member who has recognized ability and experience in the use of energy conservation in the construction of commercial and residential buildings appointed pursuant to this section shall expire on October 13, 2010. Upon the expiration of the appointments to the Board made by this section, all successive appointments shall be made as provided in section 3781.07 of the Revised Code, as amended by this act, and all successive terms shall last for the period of time provided in that section."

In line 108 of the title, delete "3781.01," and insert "3781.07,"

In line 401, after "5111.176," insert "5111.20,"

In line 402, delete "5111.222,"; delete "5111.25," and insert "5111.243,"

In line 451, after "5111.236," insert "5111.262,"

Delete lines 52727 through 52960 and insert:

"**Sec. 3721.50.** As used in sections 3721.50 to 3721.58 of the Revised Code:

(A) "Franchise permit fee rate" means the amount determined as follows:

(1) Determine the difference between the following:

(a) The total net patient revenue, less medicaid per diem payments, of all nursing homes and hospital long-term care units as shown on cost reports filed under section 5111.26 of the Revised Code for the calendar year immediately preceding the fiscal year for which the franchise permit fee is assessed under section 3721.51 of the Revised Code;

(b) The total net patient revenue, less medicaid per diem payments, of all nursing homes and hospital long-term care units as shown on cost reports filed under section 5111.26 of the Revised Code for the calendar year immediately preceding the calendar year that immediately precedes the fiscal year for which the franchise permit fee is assessed under section 3721.51 of the Revised Code.

(2) Multiply the amount determined under division (A)(1) of this section by five and five-tenths per cent;

(3) Divide the amount determined under division (A)(2) of this section by the total number of days in the fiscal year for which the franchise permit fee is assessed under section 3721.51 of the Revised Code;

(4) Subtract eleven dollars and ninety-five cents from the amount determined under division (A)(3) of this section;

(5) Add eleven dollars and ninety-five cents to the amount determined under division (A)(4) of this section.

(B) "Hospital" has the same meaning as in section 3727.01 of the Revised Code.

~~(B)~~ (C) "Hospital long-term care unit" means any distinct part of a hospital in which any of the following beds are located:

(1) Beds registered pursuant to section 3701.07 of the Revised Code as skilled nursing facility beds or long-term care beds;

(2) Beds licensed as nursing home beds under section 3721.02 or 3721.09 of the Revised Code.

(D) "Inpatient days" means all days during which a resident of a nursing facility, regardless of payment source, occupies a bed in the nursing facility that is included in the facility's certified capacity under Title XIX. Therapeutic or hospital leave days for which payment is made under section 5111.26 of the Revised Code are considered inpatient days proportionate to the percentage of the facility's per resident per day rate paid for those days.

~~(C)~~ (E) "Medicaid" has the same meaning as in section 5111.01 of the Revised Code.

~~(D)~~ (F) "Medicaid day" means all days during which a resident who is a medicaid recipient occupies a bed in a nursing facility that is included in the facility's certified capacity under Title XIX. Therapeutic or hospital leave days for which payment is made under section 5111.26 of the Revised Code are considered medicaid days proportionate to the percentage of the nursing facility's per resident per day rate for those days.

~~(E)~~ (G) "Medicare" means the program established by Title XVIII.

(H) "Nursing facility" has the same meaning as in section 5111.20 of the Revised Code.

~~(F)~~ (I)(1) "Nursing home" means all of the following:

(a) A nursing home licensed under section 3721.02 or 3721.09 of the Revised Code, including any part of a home for the aging licensed as a nursing home;

(b) A facility or part of a facility, other than a hospital, that is certified as

a skilled nursing facility under Title XVIII;

(c) A nursing facility, other than a portion of a hospital certified as a nursing facility.

(2) "Nursing home" does not include any of the following:

(a) A county home, county nursing home, or district home operated pursuant to Chapter 5155. of the Revised Code;

(b) A nursing home maintained and operated by the Ohio veterans' home agency under section 5907.01 of the Revised Code;

(c) A nursing home or part of a nursing home licensed under section 3721.02 or 3721.09 of the Revised Code that is certified as an intermediate care facility for the mentally retarded under Title XIX.

~~(G)~~ (J) "Title XIX" means Title XIX of the "Social Security Act," 79 Stat. 286 (1965), 42 U.S.C. 1396, as amended.

~~(H)~~ (K) "Title XVIII" means Title XVIII of the "Social Security Act," 79 Stat. 286 (1965), 42 U.S.C. 1395, as amended.

Sec. 3721.51. The department of job and family services shall do all of the following:

(A) Subject to ~~division~~ sections 3721.512 and 3721.513 of the Revised Code and divisions (C) and (D) of this section and for the purposes specified in sections 3721.56 and 3721.561 of the Revised Code, determine an annual franchise permit fee on each nursing home in an amount equal to ~~six dollars and twenty-five cents,~~ the franchise permit fee rate multiplied by the product of the following:

(1) The number of beds licensed as nursing home beds, plus any other beds certified as skilled nursing facility beds under Title XVIII or nursing facility beds under Title XIX on the first day of May of the calendar year in which the fee is determined pursuant to division (A) of section 3721.53 of the Revised Code;

(2) The number of days in the fiscal year beginning on the first day of July of the calendar year in which the fee is determined pursuant to division (A) of section 3721.53 of the Revised Code.

(B) Subject to ~~division~~ sections 3721.512 and 3721.513 of the Revised Code and divisions (C) and (D) of this section and for the purposes specified in sections 3721.56 and 3721.561 of the Revised Code, determine an annual franchise permit fee on each hospital in an amount equal to ~~six dollars and twenty-five cents,~~ the franchise permit fee rate multiplied by the product of the following:

(1) The number of beds registered pursuant to section 3701.07 of the Revised Code as skilled nursing facility beds or long-term care beds, plus any other beds licensed as nursing home beds under section 3721.02 or 3721.09 of

the Revised Code, on the first day of May of the calendar year in which the fee is determined pursuant to division (A) of section 3721.53 of the Revised Code;

(2) The number of days in the fiscal year beginning on the first day of July of the calendar year in which the fee is determined pursuant to division (A) of section 3721.53 of the Revised Code.

(C) If the total amount of the franchise permit fee assessed under divisions (A) and (B) of this section for a fiscal year exceeds five and one-half per cent of the actual net patient revenue for all nursing homes and hospital long-term care units for that fiscal year, do both of the following:

(1) Recalculate the assessments under divisions (A) and (B) of this section using a per bed per day rate equal to five and one-half per cent of actual net patient revenue for all nursing homes and hospital long-term care units for that fiscal year;

(2) Refund the difference between the amount of the franchise permit fee assessed for that fiscal year under divisions (A) and (B) of this section and the amount recalculated under division (C)(1) of this section as a credit against the assessments imposed under divisions (A) and (B) of this section for the subsequent fiscal year.

(D) If the United States centers for medicare and medicaid services determines that the franchise permit fee established by sections 3721.50 to 3721.58 of the Revised Code is an impermissible health care related tax under section 1903(w) of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 1396b(w), as amended, take all necessary actions to cease implementation of sections 3721.50 to 3721.58 of the Revised Code in accordance with rules adopted under section 3721.58 of the Revised Code.

Sec. 3721.511. (A) Not later than four months after the effective date of this section, the department of job and family services shall apply to the United States secretary of health and human services for a waiver under 42 U.S.C. 1396b(w)(3)(E) as necessary to do both of the following regarding the franchise permit fee imposed by section 3721.51 of the Revised Code:

(1) Reduce the franchise permit fee to zero dollars for each nursing home licensed under section 3721.02 or 3721.09 of the Revised Code to which either of the following applies:

(a) The nursing home:

(i) Is exempt from state taxation under section 140.08 of the Revised Code or is exempt from state taxation as a home for the aged as defined in section 5701.13 of the Revised Code;

(ii) Is exempt from federal income taxation under section 501 of the Internal Revenue Code of 1986;

(iii) Does not participate in medicaid or medicare; and

(iv) Provides services for the life of each resident without regard to the resident's ability to secure payment for the services.

(b) The nursing home:

(i) Has had a written affiliation agreement with a university in this state for education and research related to Alzheimer's disease for each of the twenty years preceding the effective date of this section and has such an agreement on the effective date of this section;

(ii) Was granted a certificate of need under Section 3 of Am. Sub. S.B. 256 of the 116th General Assembly; and

(iii) Does not participate in medicaid or medicare.

(2) For each nursing facility with more than two hundred beds certified as nursing facility beds under Title XIX, reduce the franchise permit fee for a number of the nursing facility's beds specified by the department to the amount necessary to obtain approval of the waiver sought under this section.

(B) The effective date of the waiver sought under this section shall be the first day of the calendar quarter beginning after the United States secretary approves the waiver.

Sec. 3721.512. If the United States secretary of health and human services approves the waiver sought under section 3721.511 of the Revised Code, the department of job and family services shall, for each nursing home and hospital that qualifies for a reduction of its franchise permit fee under the waiver, reduce the franchise permit fee in accordance with the terms of the waiver. For purposes of the first fiscal year during which the waiver takes effect, the department shall determine the amount of the reduction not later than the effective date of the waiver and shall mail to each nursing home and hospital qualifying for the reduction notice of the reduction not later than the last day of the first month of the calendar quarter that begins after the United States secretary approves the waiver. For purposes of subsequent fiscal years, the department shall make such determinations and mail such notices in accordance with section 3721.53 of the Revised Code.

Sec. 3721.513. (A) If the United States secretary of health and human services approves the waiver sought under section 3721.511 of the Revised Code, the department of job and family services may do both of the following regarding the franchise permit fee imposed by section 3721.51 of the Revised Code:

(1) Determine how much money the franchise permit fee would have raised in a fiscal year if not for the waiver;

(2) For each nursing home and hospital subject to the franchise permit fee, other than a nursing home or hospital that has its franchise permit fee reduced under section 3721.512 of the Revised Code, uniformly increase the amount of the franchise permit fee for a fiscal year to an amount that will have

the franchise permit fee raise an amount of money that does not exceed the amount determined under division (A)(1) of this section for that fiscal year.

(B) If the department increases the franchise permit fee in accordance with division (A) of this section for the first fiscal year during which the waiver takes effect, the department shall determine the amount of the increase not later than the effective date of the waiver and shall mail to each nursing home and hospital subject to the increase notice of the increase not later than the last day of the first month of the calendar quarter that begins after the United States secretary approves the waiver. If the department increases the franchise permit fee in accordance with division (A) of this section for a subsequent fiscal year, the department shall make such determinations and mail such notices in accordance with section 3721.53 of the Revised Code.

Sec. 3721.53. (A) Not later than the fifteenth day of ~~August~~ September of each year, the department of job and family services shall determine the annual franchise permit fee for each nursing home and hospital in accordance with ~~division (A) of~~ section 3721.51 of the Revised Code and ~~the annual franchise permit fee for each hospital~~ any adjustments made in accordance with ~~division (B) of that section~~ sections 3721.512 and 3721.513 of the Revised Code.

(B) Not later than the first day of ~~September~~ October of each year, the department shall mail to each nursing home and hospital notice of the amount of the franchise permit fee that has been determined for the nursing home or hospital.

(C) Each nursing home and hospital shall pay its fee under section 3721.51 of the Revised Code , as adjusted in accordance with sections 3721.512 and 3721.513 of the Revised Code, to the department in ~~quarterly~~ four installment payments not later than forty-five days after the last day of each ~~September~~ October, December, March, and June.

(D) No nursing home or hospital shall directly bill its residents for the fee paid under this section, or otherwise directly pass the fee through to its residents.

Sec. 3721.55. (A) A nursing home or hospital may appeal the fee imposed under section 3721.51 of the Revised Code , as adjusted under section 3721.512 or 3721.513 of the Revised Code, solely on the grounds that the department of job and family services committed a material error in determining the amount of the fee. A request for an appeal must be received by the department not later than fifteen days after the date the department mails the notice of the fee and must include written materials setting forth the basis for the appeal.

(B) If a nursing home or hospital submits a request for an appeal within the time required under division (A) of this section, the department of job and family services shall hold a public hearing in Columbus not later than thirty days after the date the department receives the request for an appeal. The department shall, not later than ten days before the date of the hearing, mail a notice of the date, time, and place of the hearing to the nursing home or hospital. The

department may hear all the requested appeals in one public hearing.

(C) On the basis of the evidence presented at the hearing or any other evidence submitted by the nursing home or hospital, the department may adjust a fee. The department's decision is final.

Sec. 3721.56. (A) There is hereby created in the state treasury the home- and community-based services for the aged fund. ~~Sixteen per cent~~ The percentage specified under division (B) of this section of all payments and penalties paid by nursing homes and hospitals under sections 3721.53 and 3721.54 of the Revised Code shall be deposited into the fund. The departments of job and family services and aging shall use the moneys in the fund to fund the following in accordance with rules adopted under section 3721.58 of the Revised Code:

~~(A)~~ (1) The medicaid program established under Chapter 5111. of the Revised Code, including the PASSPORT program established under section 173.40 of the Revised Code;

~~(B)~~ (2) The residential state supplement program established under section 173.35 of the Revised Code.

(B) The percentage specified in this division is the percentage determined by dividing one by the following:

(1) Except as provided in division (B)(2) of this section, the franchise permit fee rate;

(2) If the department of job and family services recalculates the amount of the assessments for a fiscal year under division (C) of section 3721.51 of the Revised Code, the amount of the per bed per day rate so recalculated for that fiscal year."

Between lines 76019 and 76020, insert:

"**Sec. 5111.20.** As used in sections 5111.20 to 5111.34 of the Revised Code:

(A) "Allowable costs" are those costs determined by the department of job and family services to be reasonable and do not include fines paid under sections 5111.35 to 5111.61 and section 5111.99 of the Revised Code.

(B) "Ancillary and support costs" means all reasonable costs incurred by a nursing facility other than direct care costs or capital costs. "Ancillary and support costs" includes, but is not limited to, costs of activities, social services, pharmacy consultants, habilitation supervisors, qualified mental retardation professionals, program directors, medical and habilitation records, program supplies, incontinence supplies, food, enterals, dietary supplies and personnel, laundry, housekeeping, security, administration, medical equipment, utilities, liability insurance, bookkeeping, purchasing department, human resources, communications, travel, dues, license fees, subscriptions, home office costs not otherwise allocated, legal services, accounting services, minor equipment,

wheelchairs, resident transportation, maintenance and repairs, help-wanted advertising, informational advertising, start-up costs, organizational expenses, other interest, property insurance, employee training and staff development, employee benefits, payroll taxes, and workers' compensation premiums or costs for self-insurance claims and related costs as specified in rules adopted by the director of job and family services under section 5111.02 of the Revised Code, for personnel listed in this division. "Ancillary and support costs" also means the cost of equipment, including vehicles, acquired by operating lease executed before December 1, 1992, if the costs are reported as administrative and general costs on the facility's cost report for the cost reporting period ending December 31, 1992.

(C) "Capital costs" means costs of ownership and, in the case of an intermediate care facility for the mentally retarded, costs of nonextensive renovation.

(1) "Cost of ownership" means the actual expense incurred for all of the following:

(a) Depreciation and interest on any capital assets that cost five hundred dollars or more per item, including the following:

(i) Buildings;

(ii) Building improvements that are not approved as nonextensive renovations under section 5111.251 of the Revised Code;

(iii) Except as provided in division (B) of this section, equipment;

(iv) In the case of an intermediate care facility for the mentally retarded, extensive renovations;

(v) Transportation equipment.

(b) Amortization and interest on land improvements and leasehold improvements;

(c) Amortization of financing costs;

(d) Except as provided in division (K) of this section, lease and rent of land, building, and equipment.

The costs of capital assets of less than five hundred dollars per item may be considered capital costs in accordance with a provider's practice.

(2) "Costs of nonextensive renovation" means the actual expense incurred by an intermediate care facility for the mentally retarded for depreciation or amortization and interest on renovations that are not extensive renovations.

(D) "Capital lease" and "operating lease" shall be construed in accordance with generally accepted accounting principles.

(E) "Case-mix score" means the measure determined under section 5111.232 of the Revised Code of the relative direct-care resources needed to

provide care and habilitation to a resident of a nursing facility or intermediate care facility for the mentally retarded.

(F)(1) "Date of licensure," for a facility originally licensed as a nursing home under Chapter 3721. of the Revised Code, means the date specific beds were originally licensed as nursing home beds under that chapter, regardless of whether they were subsequently licensed as residential facility beds under section 5123.19 of the Revised Code. For a facility originally licensed as a residential facility under section 5123.19 of the Revised Code, "date of licensure" means the date specific beds were originally licensed as residential facility beds under that section.

If nursing home beds licensed under Chapter 3721. of the Revised Code or residential facility beds licensed under section 5123.19 of the Revised Code were not required by law to be licensed when they were originally used to provide nursing home or residential facility services, "date of licensure" means the date the beds first were used to provide nursing home or residential facility services, regardless of the date the present provider obtained licensure.

If a facility adds nursing home beds or residential facility beds or extensively renovates all or part of the facility after its original date of licensure, it will have a different date of licensure for the additional beds or extensively renovated portion of the facility, unless the beds are added in a space that was constructed at the same time as the previously licensed beds but was not licensed under Chapter 3721. or section 5123.19 of the Revised Code at that time.

(2) The definition of "date of licensure" in this section applies in determinations of the medicaid reimbursement rate for a nursing facility or intermediate care facility for the mentally retarded but does not apply in determinations of the franchise permit fee for a nursing facility or intermediate care facility for the mentally retarded.

(G) "Desk-reviewed" means that costs as reported on a cost report submitted under section 5111.26 of the Revised Code have been subjected to a desk review under division (A) of section 5111.27 of the Revised Code and preliminarily determined to be allowable costs.

(H) "Direct care costs" means all of the following:

(1)(a) Costs for registered nurses, licensed practical nurses, and nurse aides employed by the facility;

(b) Costs for direct care staff, administrative nursing staff, medical directors, respiratory therapists, and except as provided in division (H)(2) of this section, other persons holding degrees qualifying them to provide therapy;

(c) Costs of purchased nursing services;

(d) Costs of quality assurance;

(e) Costs of training and staff development, employee benefits, payroll taxes, and workers' compensation premiums or costs for self-insurance claims

and related costs as specified in rules adopted by the director of job and family services in accordance with Chapter 119. of the Revised Code, for personnel listed in divisions (H)(1)(a), (b), and (d) of this section;

(f) Costs of consulting and management fees related to direct care;

(g) Allocated direct care home office costs.

(2) In addition to the costs specified in division (H)(1) of this section, for nursing facilities only, direct care costs include costs of habilitation staff (other than habilitation supervisors), medical supplies, ~~emergency~~ oxygen, over-the-counter pharmacy products, physical therapists, physical therapy assistants, occupational therapists, occupational therapy assistants, speech therapists, audiologists, habilitation supplies, and universal precautions supplies.

(3) In addition to the costs specified in division (H)(1) of this section, for intermediate care facilities for the mentally retarded only, direct care costs include both of the following:

(a) Costs for physical therapists and physical therapy assistants, occupational therapists and occupational therapy assistants, speech therapists, audiologists, habilitation staff (including habilitation supervisors), qualified mental retardation professionals, program directors, social services staff, activities staff, off-site day programming, psychologists and psychology assistants, and social workers and counselors;

(b) Costs of training and staff development, employee benefits, payroll taxes, and workers' compensation premiums or costs for self-insurance claims and related costs as specified in rules adopted under section 5111.02 of the Revised Code, for personnel listed in division (H)(3)(a) of this section.

(4) Costs of other direct-care resources that are specified as direct care costs in rules adopted under section 5111.02 of the Revised Code.

(I) "Fiscal year" means the fiscal year of this state, as specified in section 9.34 of the Revised Code.

(J) "Franchise permit fee" means the following:

(1) In the context of nursing facilities, the fee imposed by sections 3721.50 to 3721.58 of the Revised Code;

(2) In the context of intermediate care facilities for the mentally retarded, the fee imposed by sections 5112.30 to 5112.39 of the Revised Code.

(K) "Indirect care costs" means all reasonable costs incurred by an intermediate care facility for the mentally retarded other than direct care costs, other protected costs, or capital costs. "Indirect care costs" includes but is not limited to costs of habilitation supplies, pharmacy consultants, medical and habilitation records, program supplies, incontinence supplies, food, enterals, dietary supplies and personnel, laundry, housekeeping, security, administration, liability insurance, bookkeeping, purchasing department, human resources,

communications, travel, dues, license fees, subscriptions, home office costs not otherwise allocated, legal services, accounting services, minor equipment, maintenance and repairs, help-wanted advertising, informational advertising, start-up costs, organizational expenses, other interest, property insurance, employee training and staff development, employee benefits, payroll taxes, and workers' compensation premiums or costs for self-insurance claims and related costs as specified in rules adopted under section 5111.02 of the Revised Code, for personnel listed in this division. Notwithstanding division (C)(1) of this section, "indirect care costs" also means the cost of equipment, including vehicles, acquired by operating lease executed before December 1, 1992, if the costs are reported as administrative and general costs on the facility's cost report for the cost reporting period ending December 31, 1992.

(L) "Inpatient days" means all days during which a resident, regardless of payment source, occupies a bed in a nursing facility or intermediate care facility for the mentally retarded that is included in the facility's certified capacity under Title XIX. Therapeutic or hospital leave days for which payment is made under section 5111.33 of the Revised Code are considered inpatient days proportionate to the percentage of the facility's per resident per day rate paid for those days.

(M) "Intermediate care facility for the mentally retarded" means an intermediate care facility for the mentally retarded certified as in compliance with applicable standards for the medicaid program by the director of health in accordance with Title XIX.

(N) "Maintenance and repair expenses" means, except as provided in division (BB)(2) of this section, expenditures that are necessary and proper to maintain an asset in a normally efficient working condition and that do not extend the useful life of the asset two years or more. "Maintenance and repair expenses" includes but is not limited to the cost of ordinary repairs such as painting and wallpapering.

(O) "Medicaid days" means all days during which a resident who is a Medicaid recipient eligible for nursing facility services occupies a bed in a nursing facility that is included in the nursing facility's certified capacity under Title XIX. Therapeutic or hospital leave days for which payment is made under section 5111.33 of the Revised Code are considered Medicaid days proportionate to the percentage of the nursing facility's per resident per day rate paid for those days.

(P) "Nursing facility" means a facility, or a distinct part of a facility, that is certified as a nursing facility by the director of health in accordance with Title XIX and is not an intermediate care facility for the mentally retarded. "Nursing facility" includes a facility, or a distinct part of a facility, that is certified as a nursing facility by the director of health in accordance with Title XIX and is certified as a skilled nursing facility by the director in accordance with Title XVIII.

(Q) "Operator" means the person or government entity responsible for the

daily operating and management decisions for a nursing facility or intermediate care facility for the mentally retarded.

(R) "Other protected costs" means costs incurred by an intermediate care facility for the mentally retarded for medical supplies; real estate, franchise, and property taxes; natural gas, fuel oil, water, electricity, sewage, and refuse and hazardous medical waste collection; allocated other protected home office costs; and any additional costs defined as other protected costs in rules adopted under section 5111.02 of the Revised Code.

(S)(1) "Owner" means any person or government entity that has at least five per cent ownership or interest, either directly, indirectly, or in any combination, in any of the following regarding a nursing facility or intermediate care facility for the mentally retarded:

(a) The land on which the facility is located;

(b) The structure in which the facility is located;

(c) Any mortgage, contract for deed, or other obligation secured in whole or in part by the land or structure on or in which the facility is located;

(d) Any lease or sublease of the land or structure on or in which the facility is located.

(2) "Owner" does not mean a holder of a debenture or bond related to the nursing facility or intermediate care facility for the mentally retarded and purchased at public issue or a regulated lender that has made a loan related to the facility unless the holder or lender operates the facility directly or through a subsidiary.

(T) "Patient" includes "resident."

(U) Except as provided in divisions (U)(1) and (2) of this section, "per diem" means a nursing facility's or intermediate care facility for the mentally retarded's actual, allowable costs in a given cost center in a cost reporting period, divided by the facility's inpatient days for that cost reporting period.

(1) When calculating indirect care costs for the purpose of establishing rates under section 5111.241 of the Revised Code, "per diem" means an intermediate care facility for the mentally retarded's actual, allowable indirect care costs in a cost reporting period divided by the greater of the facility's inpatient days for that period or the number of inpatient days the facility would have had during that period if its occupancy rate had been eighty-five per cent.

(2) When calculating capital costs for the purpose of establishing rates under section 5111.251 of the Revised Code, "per diem" means a facility's actual, allowable capital costs in a cost reporting period divided by the greater of the facility's inpatient days for that period or the number of inpatient days the facility would have had during that period if its occupancy rate had been ninety-five per cent.

(V) "Provider" means an operator with a provider agreement.

(W) "Provider agreement" means a contract between the department of job and family services and the operator of a nursing facility or intermediate care facility for the mentally retarded for the provision of nursing facility services or intermediate care facility services for the mentally retarded under the medicaid program.

(X) "Purchased nursing services" means services that are provided in a nursing facility by registered nurses, licensed practical nurses, or nurse aides who are not employees of the facility.

(Y) "Reasonable" means that a cost is an actual cost that is appropriate and helpful to develop and maintain the operation of patient care facilities and activities, including normal standby costs, and that does not exceed what a prudent buyer pays for a given item or services. Reasonable costs may vary from provider to provider and from time to time for the same provider.

(Z) "Related party" means an individual or organization that, to a significant extent, has common ownership with, is associated or affiliated with, has control of, or is controlled by, the provider.

(1) An individual who is a relative of an owner is a related party.

(2) Common ownership exists when an individual or individuals possess significant ownership or equity in both the provider and the other organization. Significant ownership or equity exists when an individual or individuals possess five per cent ownership or equity in both the provider and a supplier. Significant ownership or equity is presumed to exist when an individual or individuals possess ten per cent ownership or equity in both the provider and another organization from which the provider purchases or leases real property.

(3) Control exists when an individual or organization has the power, directly or indirectly, to significantly influence or direct the actions or policies of an organization.

(4) An individual or organization that supplies goods or services to a provider shall not be considered a related party if all of the following conditions are met:

(a) The supplier is a separate bona fide organization.

(b) A substantial part of the supplier's business activity of the type carried on with the provider is transacted with others than the provider and there is an open, competitive market for the types of goods or services the supplier furnishes.

(c) The types of goods or services are commonly obtained by other nursing facilities or intermediate care facilities for the mentally retarded from outside organizations and are not a basic element of patient care ordinarily furnished directly to patients by the facilities.

(d) The charge to the provider is in line with the charge for the goods or services in the open market and no more than the charge made under comparable circumstances to others by the supplier.

(AA) "Relative of owner" means an individual who is related to an owner of a nursing facility or intermediate care facility for the mentally retarded by one of the following relationships:

(1) Spouse;

(2) Natural parent, child, or sibling;

(3) Adopted parent, child, or sibling;

(4) Stepparent, stepchild, stepbrother, or stepsister;

(5) Father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law;

(6) Grandparent or grandchild;

(7) Foster caregiver, foster child, foster brother, or foster sister.

(BB) "Renovation" and "extensive renovation" mean:

(1) Any betterment, improvement, or restoration of an intermediate care facility for the mentally retarded started before July 1, 1993, that meets the definition of a renovation or extensive renovation established in rules adopted by the director of job and family services in effect on December 22, 1992.

(2) In the case of betterments, improvements, and restorations of intermediate care facilities for the mentally retarded started on or after July 1, 1993:

(a) "Renovation" means the betterment, improvement, or restoration of an intermediate care facility for the mentally retarded beyond its current functional capacity through a structural change that costs at least five hundred dollars per bed. A renovation may include betterment, improvement, restoration, or replacement of assets that are affixed to the building and have a useful life of at least five years. A renovation may include costs that otherwise would be considered maintenance and repair expenses if they are an integral part of the structural change that makes up the renovation project. "Renovation" does not mean construction of additional space for beds that will be added to a facility's licensed or certified capacity.

(b) "Extensive renovation" means a renovation that costs more than sixty-five per cent and no more than eighty-five per cent of the cost of constructing a new bed and that extends the useful life of the assets for at least ten years.

For the purposes of division (BB)(2) of this section, the cost of constructing a new bed shall be considered to be forty thousand dollars, adjusted for the estimated rate of inflation from January 1, 1993, to the end of the

calendar year during which the renovation is completed, using the consumer price index for shelter costs for all urban consumers for the north central region, as published by the United States bureau of labor statistics.

The department of job and family services may treat a renovation that costs more than eighty-five per cent of the cost of constructing new beds as an extensive renovation if the department determines that the renovation is more prudent than construction of new beds.

(CC) "Title XIX" means Title XIX of the "Social Security Act," 79 Stat. 286 (1965), 42 U.S.C. 1396, as amended.

(DD) "Title XVIII" means Title XVIII of the "Social Security Act," 79 Stat. 286 (1965), 42 U.S.C. 1395, as amended."

Delete lines 76078 through 76227, and insert:

"**Sec. 5111.231.** (A) As used in this section, "applicable calendar year" means the following:

(1) For the purpose of the department of job and family services' initial determination under division (D) of this section of each peer group's cost per case-mix unit, calendar year 2003;

(2) For the purpose of the department's subsequent determinations under division (D) of this section of each peer group's cost per case-mix unit, the calendar year the department selects.

(B) The department of job and family services shall pay a provider for each of the provider's eligible nursing facilities a per resident per day rate for direct care costs determined semiannually by multiplying the cost per case-mix unit determined under division (D) of this section for the facility's peer group by the facility's semiannual case-mix score determined under section 5111.232 of the Revised Code.

(C) For the purpose of determining nursing facilities' rate for direct care costs, the department shall establish three peer groups.

Each nursing facility located in any of the following counties shall be placed in peer group one: Brown, Butler, Clermont, Clinton, Hamilton, and Warren.

Each nursing facility located in any of the following counties shall be placed in peer group two: Ashtabula, Champaign, Clark, Cuyahoga, Darke, Delaware, Fairfield, Fayette, Franklin, Fulton, Geauga, Greene, Hancock, Knox, Lake, Licking, Lorain, Lucas, Madison, Marion, Medina, Miami, Montgomery, Morrow, Ottawa, Pickaway, Portage, Preble, Ross, Sandusky, Seneca, Summit, Union, and Wood.

Each nursing facility located in any of the following counties shall be placed in peer group three: Adams, Allen, Ashland, Athens, Auglaize, Belmont, Carroll, Columbiana, Coshocton, Crawford, Defiance, Erie, Gallia, Guernsey,

Hardin, Harrison, Henry, Highland, Hocking, Holmes, Huron, Jackson, Jefferson, Lawrence, Logan, Mahoning, Meigs, Mercer, Monroe, Morgan, Muskingum, Noble, Paulding, Perry, Pike, Putnam, Richland, Scioto, Shelby, Stark, Trumbull, Tuscarawas, Van Wert, Vinton, Washington, Wayne, Williams, and Wyandot.

(D)(1) At least once every ten years, the department shall determine a cost per case-mix unit for each peer group established under division (C) of this section. A cost per case-mix unit determined under this division for a peer group shall be used for subsequent years until the department redetermines it. To determine a peer group's cost per case-mix unit, the department shall do all of the following:

(a) Determine the cost per case-mix unit for each nursing facility in the peer group for the applicable calendar year by dividing each facility's desk-reviewed, actual, allowable, per diem direct care costs for the applicable calendar year by the facility's annual average case-mix score determined under section 5111.232 of the Revised Code for the applicable calendar year.

(b) Subject to division (D)(2) of this section, identify which nursing facility in the peer group is at the twenty-fifth percentile of the cost per case-mix units determined under division (D)(1)(a) of this section.

(c) Calculate the amount that is seven per cent above the cost per case-mix unit determined under division (D)(1)(a) of this section for the nursing facility identified under division (D)(1)(b) of this section.

(d) Multiply the amount calculated under division (D)(1)(c) of this section by the rate of inflation for the eighteen-month period beginning on the first day of July of the applicable calendar year and ending the last day of December of the calendar year immediately following the applicable calendar year using the following:

(i) In the case of the initial calculation made under division (D)(1)(d) of this section, the employment cost index for total compensation, health services component, published by the United States bureau of labor statistics , as the index existed on July 1, 2005;

(ii) In the case of subsequent calculations made under division (D)(1)(d) of this section and except as provided in division (D)(1)(d)(iii) of this section, the employment cost index for total compensation, nursing and residential care facilities occupational group, published by the United States bureau of labor statistics;

(iii) If the United States bureau of labor statistics ceases to publish the index specified in division (D)(1)(d)(ii) of this section, the index the bureau subsequently publishes that covers nursing facilities' staff costs.

(2) In making the identification under division (D)(1)(b) of this section, the department shall exclude both of the following:

(a) Nursing facilities that participated in the medicaid program under the same provider for less than twelve months in the applicable calendar year;

(b) Nursing facilities whose cost per case-mix unit is more than one standard deviation from the mean cost per case-mix unit for all nursing facilities in the nursing facility's peer group for the applicable calendar year.

(3) The department shall not redetermine a peer group's cost per case-mix unit under this division based on additional information that it receives after the peer group's per case-mix unit is determined. The department shall redetermine a peer group's cost per case-mix unit only if it made an error in determining the peer group's cost per case-mix unit based on information available to the department at the time of the original determination."

Delete lines 76432 through 76907, and insert:

"**Sec. 5111.24.** (A) As used in this section, "applicable calendar year" means the following:

(1) For the purpose of the department of job and family services' initial determination under division (D) of this section of each peer group's rate for ancillary and support costs, calendar year 2003;

(2) For the purpose of the department's subsequent determinations under division (D) of this section of each peer group's rate for ancillary and support costs, the calendar year the department selects.

(B) The department of job and family services shall pay a provider for each of the provider's eligible nursing facilities a per resident per day rate for ancillary and support costs determined for the nursing facility's peer group under division (D) of this section.

(C) For the purpose of determining nursing facilities' rate for ancillary and support costs, the department shall establish six peer groups.

Each nursing facility located in any of the following counties shall be placed in peer group one or two: Brown, Butler, Clermont, Clinton, Hamilton, and Warren. Each nursing facility located in any of those counties that has fewer than one hundred beds shall be placed in peer group one. Each nursing facility located in any of those counties that has one hundred or more beds shall be placed in peer group two.

Each nursing facility located in any of the following counties shall be placed in peer group three or four: Ashtabula, Champaign, Clark, Cuyahoga, Darke, Delaware, Fairfield, Fayette, Franklin, Fulton, Geauga, Greene, Hancock, Knox, Lake, Licking, Lorain, Lucas, Madison, Marion, Medina, Miami, Montgomery, Morrow, Ottawa, Pickaway, Portage, Preble, Ross, Sandusky, Seneca, Summit, Union, and Wood. Each nursing facility located in any of those counties that has fewer than one hundred beds shall be placed in peer group three. Each nursing facility located in any of those counties that has one hundred or more beds shall be placed in peer group four.

Each nursing facility located in any of the following counties shall be placed in peer group five or six: Adams, Allen, Ashland, Athens, Auglaize, Belmont, Carroll, Columbiana, Coshocton, Crawford, Defiance, Erie, Gallia, Guernsey, Hardin, Harrison, Henry, Highland, Hocking, Holmes, Huron, Jackson, Jefferson, Lawrence, Logan, Mahoning, Meigs, Mercer, Monroe, Morgan, Muskingum, Noble, Paulding, Perry, Pike, Putnam, Richland, Scioto, Shelby, Stark, Trumbull, Tuscarawas, Van Wert, Vinton, Washington, Wayne, Williams, and Wyandot. Each nursing facility located in any of those counties that has fewer than one hundred beds shall be placed in peer group five. Each nursing facility located in any of those counties that has one hundred or more beds shall be placed in peer group six.

(D)(1) At least once every ten years, the department shall determine the rate for ancillary and support costs for each peer group established under division (C) of this section. The rate for ancillary and support costs determined under this division for a peer group shall be used for subsequent years until the department redetermines it. To determine a peer group's rate for ancillary and support costs, the department shall do all of the following:

(a) Determine the rate for ancillary and support costs for each nursing facility in the peer group for the applicable calendar year by using the greater of the nursing facility's actual inpatient days for the applicable calendar year or the inpatient days the nursing facility would have had for the applicable calendar year if its occupancy rate had been ninety per cent. For the purpose of determining a nursing facility's occupancy rate under division (D)(1)(a) of this section, the department shall include any beds that the nursing facility removes from its medicaid-certified capacity unless the nursing facility also removes the beds from its licensed bed capacity.

(b) Subject to division (D)(2) of this section, identify which nursing facility in the peer group is at the twenty-fifth percentile of the rate for ancillary and support costs for the applicable calendar year determined under division (D)(1)(a) of this section.

(c) Calculate the amount that is three per cent above the rate for ancillary and support costs determined under division (D)(1)(a) of this section for the nursing facility identified under division (D)(1)(b) of this section.

(d) Multiply the amount calculated under division (D)(1)(c) of this section by the rate of inflation for the eighteen-month period beginning on the first day of July of the applicable calendar year and ending the last day of December of the calendar year immediately following the applicable calendar year using the following:

(i) In the case of the initial calculation made under division (D)(1)(d) of this section, the consumer price index for all items for all urban consumers for the north central region, published by the United States bureau of labor statistics , as that index existed on July 1, 2005;

(ii) In the case of subsequent calculations made under division (D)(1)(d)

of this section and except as provided in division (D)(1)(d)(iii) of this section, the consumer price index for all items for all urban consumers for the midwest region, published by the United States bureau of labor statistics;

(iii) If the United States bureau of labor statistics ceases to publish the index specified in division (D)(1)(d)(ii) of this section, the index the bureau subsequently publishes that covers urban consumers' prices for items for the region that includes this state.

(2) In making the identification under division (D)(1)(b) of this section, the department shall exclude both of the following:

(a) Nursing facilities that participated in the medicaid program under the same provider for less than twelve months in the applicable calendar year;

(b) Nursing facilities whose ancillary and support costs are more than one standard deviation from the mean desk-reviewed, actual, allowable, per diem ancillary and support cost for all nursing facilities in the nursing facility's peer group for the applicable calendar year.

(3) The department shall not redetermine a peer group's rate for ancillary and support costs under this division based on additional information that it receives after the rate is determined. The department shall redetermine a peer group's rate for ancillary and support costs only if it made an error in determining the rate based on information available to the department at the time of the original determination.

Sec. 5111.243. The department of job and family services shall pay a provider for each of the provider's eligible nursing facilities a per resident per day rate for the franchise permit fees paid for the nursing facility. The rate shall ~~be~~ equal ~~to the franchise permit fee for the fiscal year for which the rate is paid~~ six dollars and twenty-five cents."

Between lines 76940 and 76941, insert:

" **Sec. 5111.262.** No person, other than the provider of a nursing facility, shall submit a claim for medicaid reimbursement for a service provided to a nursing facility resident if the service is included in a medicaid payment made to the provider of a nursing facility under sections 5111.20 to 5111.33 of the Revised Code or in the reimbursable expenses reported on a provider's cost report for a nursing facility. No provider of a nursing facility shall submit a separate claim for medicaid reimbursement for a service provided to a resident of the nursing facility if the service is included in a medicaid payment made to the provider under sections 5111.20 to 5111.33 of the Revised Code or in the reimbursable expenses on the provider's cost report for the nursing facility."

In line 90904, after "5111.176," insert "5111.20,"; delete "5111.222,"

In line 90905, delete "5111.25," and insert "5111.243,"

In line 90950, after "5101.072," insert "5111.263,"

In line 97071, delete "$3,257,696,629 $2,481,516,614" and insert "$3,364,069,130 $2,730,922,601"

In line 97082, add $106,372,501 to fiscal year 2010 and $249,405,987 to fiscal year 2011

In line 97102, delete "$347,955,251 $365,135,000" and insert "$359,332,500 $381,710,000"

In line 97108, add $11,377,249 to fiscal year 2010 and $16,575,000 to fiscal year 2011

In line 97118, add $117,749,750 to fiscal year 2010 and $265,980,987 to fiscal year 2011

Delete lines 97228 through 97326 and insert:

"**Section 309.30.20.** FISCAL YEAR 2010 MEDICAID REIMBURSEMENT SYSTEM FOR NURSING FACILITIES

(A) As used in this section:

"Franchise permit fee," "Medicaid days," "nursing facility," and "provider" have the same meanings as in section 5111.20 of the Revised Code.

"Nursing facility services" means nursing facility services covered by the Medicaid program that a nursing facility provides to a resident of the nursing facility who is a Medicaid recipient eligible for Medicaid-covered nursing facility services.

(B) Except as otherwise provided by this section, the provider of a nursing facility that has a valid Medicaid provider agreement on June 30, 2009, and a valid Medicaid provider agreement during fiscal year 2010 shall be paid, for nursing facility services the nursing facility provides during fiscal year 2010, the rate calculated for the nursing facility under sections 5111.20 to 5111.33 of the Revised Code with the following adjustments:

(1) The cost per case mix-unit calculated under section 5111.231 of the Revised Code, the rate for ancillary and support costs calculated under section 5111.24 of the Revised Code, the rate for tax costs calculated under section 5111.242 of the Revised Code, and the rate for capital costs calculated under section 5111.25 of the Revised Code shall each be adjusted as follows:

(a) Increase the cost and rates so calculated by two per cent;

(b) Increase the cost and rates determined under division (B)(1)(a) of this section by two per cent;

(c) Increase the cost and rates determined under division (B)(1)(b) of this section by one per cent.

(2) The mean payment used in the calculation of the quality incentive payment made under section 5111.244 of the Revised Code shall be, weighted by Medicaid days, three dollars and three cents per Medicaid day.

(3) The rate, after the adjustments under divisions (B)(1) and (2) of this section are made, shall be further adjusted by a percentage that the Department of Job and Family Services shall determine in consultation with the Ohio Health Care Association; Ohio Academy of Nursing Homes; and the Association of Ohio Philanthropic Homes, Housing, and Services for the Aging. The percentage shall be based on expending an amount equal to the amount determined as follows:

(a) Determine how much of the revenue to be generated under section 3721.51 of the Revised Code for fiscal year 2010 reflects the calculations made under divisions (A)(1) to (4) of section 3721.50 of the Revised Code;

(b) From the amount determined under division (B)(3)(a) of this section, subtract the portion of the amount to be expended under division (E) of this section that reflects the part of the calculation made under division (E)(2) of this section.

(C) If the rate determined for a nursing facility under division (B) of this section for nursing facility services provided during fiscal year 2010 is more than one hundred one and seventy-five hundredths per cent of the rate the provider is paid for nursing facility services the nursing facility provides on June 30, 2009, the Department of Job and Family Services shall reduce the nursing facility's rate determined under division (B) of this section for fiscal year 2010 so that the rate is not more than one hundred one and seventy-five hundredths per cent of the nursing facility's rate for June 30, 2009. If the rate determined for a nursing facility under division (B) of this section for nursing facility services provided during fiscal year 2010 is less than ninety-nine per cent of the rate the provider is paid for nursing facility services the nursing facility provides on June 30, 2009, the Department shall increase the nursing facility's rate determined under division (B) of this section for fiscal year 2010 so that the rate is not less than ninety-nine per cent of the nursing facility's rate for June 30, 2009.

(D) After the adjustments under divisions (B) and (C) of this section are made to a nursing facility's fiscal year 2010 rate, the Department of Job and Family Services shall increase the nursing facility's fiscal year 2010 rate by five dollars and seventy cents per Medicaid day. This increase shall be known as the workforce development incentive payment. The total amount of workforce development incentive payments paid to providers of nursing facilities shall be used to improve nursing facilities' employee retention and direct care staffing levels, including by increasing wages paid to nursing facilities' direct care staff. Not later than September 30, 2011, the Department shall submit a report to the Governor and, in accordance with section 101.68 of the Revised Code, the General Assembly detailing the impact that the workforce development incentive payments have on nursing facilities' employee retention, direct care staffing levels, and direct care staff wages.

(E) After the adjustment under division (D) of this section is made to a nursing facility's fiscal year 2010 rate, the Department of Job and Family Services shall increase the nursing facility's fiscal year 2010 rate by the

consolidated services rate per Medicaid day. The consolidated services rate shall equal the sum of the following:

(1) Three dollars and ninety-one cents;

(2) The amount calculated under divisions (A)(1) to (4) of section 3721.50 of the Revised Code for fiscal year 2010.

(F) If the fiscal year 2010 rate for a nursing facility as initially determined under division (B) of this section is not subject to an adjustment under division (C) of this section, the nursing facility's rate shall not be subject to an adjustment under that division for the remainder of fiscal year 2010 regardless of any other adjustment made to the nursing facility's fiscal year 2010 rate under sections 5111.20 to 5111.33 of the Revised Code.

(G) Not later than October 1, 2009, the Department of Job and Family Services shall determine the rates to be paid providers of nursing facilities under this section. Until the rates are determined, the Department shall continue to pay a provider the rate the provider is paid for nursing facility services the provider's nursing facility provides on June 30, 2009. When the Department determines the rates to be paid under this section, the Department shall pay the rates retroactive to July 1, 2009.

(H) If the United States Centers for Medicare and Medicaid Services requires that the franchise permit fee be reduced or eliminated, the Department of Job and Family Services shall reduce the amount it pays providers of nursing facility services under this section as necessary to reflect the loss to the state of the revenue and federal financial participation generated from the franchise permit fee.

(I) The Department of Job and Family Services shall follow this section in determining the rate to be paid to the provider of a nursing facility that has a valid Medicaid provider agreement on June 30, 2009, and a valid Medicaid provider agreement during fiscal year 2010 notwithstanding anything to the contrary in sections 5111.20 to 5111.33 of the Revised Code.

Section 309.30.___. FISCAL YEAR 2011 MEDICAID REIMBURSEMENT SYSTEM FOR NURSING FACILITIES

(A) As used in this section:

"Fiscal year 2010 partial rate" means the total rate a provider of a nursing facility is paid for nursing facility services the nursing facility provides on June 30, 2010, less the portion of that total rate that equals the sum of the workforce development incentive payment and consolidated services rate included in the total rate pursuant to divisions (D) and (E) of Section 309.30.20 of this act.

"Franchise permit fee," "Medicaid days," "nursing facility," and "provider" have the same meanings as in section 5111.20 of the Revised Code.

"Nursing facility services" means nursing facility services covered by the Medicaid program that a nursing facility provides to a resident of the nursing

facility who is a Medicaid recipient eligible for Medicaid-covered nursing facility services.

(B) Except as otherwise provided by this section, the provider of a nursing facility that has a valid Medicaid provider agreement on June 30, 2010, and a valid Medicaid provider agreement during fiscal year 2011 shall be paid, for nursing facility services the nursing facility provides during fiscal year 2011, the rate calculated for the nursing facility under sections 5111.20 to 5111.33 of the Revised Code with the following adjustments:

(1) The cost per case mix-unit calculated under section 5111.231 of the Revised Code, the rate for ancillary and support costs calculated under section 5111.24 of the Revised Code, the rate for tax costs calculated under section 5111.242 of the Revised Code, and the rate for capital costs calculated under section 5111.25 of the Revised Code shall each be adjusted as follows:

(a) Increase the cost and rates so calculated by two per cent;

(b) Increase the cost and rates determined under division (B)(1)(a) of this section by two per cent;

(c) Increase the cost and rates determined under division (B)(1)(b) of this section by one per cent.

(2) The mean payment used in the calculation of the quality incentive payment made under section 5111.244 of the Revised Code shall be, weighted by Medicaid days, three dollars and three cents per Medicaid day.

(3) The rate, after the adjustments under divisions (B)(1) and (2) of this section are made, shall be further adjusted by a percentage that the Department of Job and Family Services shall determine in consultation with the Ohio Health Care Association; Ohio Academy of Nursing Homes; and the Association of Ohio Philanthropic Homes, Housing, and Services for the Aging. The percentage shall be based on expending an amount equal to the amount determined as follows:

(a) Determine how much of the revenue to be generated under section 3721.51 of the Revised Code for fiscal year 2011 reflects the calculations made under divisions (A)(1) to (4) of section 3721.50 of the Revised Code;

(b) From the amount determined under division (B)(3)(a) of this section, subtract the portion of the amount to be expended under division (E) of this section that reflects the part of the calculation made under division (E)(2) of this section.

(C) Except as provided in division (F) of this section, if the rate determined for a nursing facility under division (B) of this section for nursing facility services provided during fiscal year 2011 is more than one hundred two and twenty-five hundredths per cent of the nursing facility's fiscal year 2010 partial rate, the Department of Job and Family Services shall reduce the nursing facility's rate determined under division (B) of this section for fiscal year 2011 so

that the rate is not more than one hundred two and twenty-five hundredths per cent of the nursing facility's fiscal year 2010 partial rate. Except as provided in division (F) of this section, if the rate determined for a nursing facility under division (B) of this section for nursing facility services provided during fiscal year 2011 is less than ninety-nine per cent of the nursing facility's fiscal year 2010 partial rate, the Department shall increase the nursing facility's rate determined under division (B) of this section for fiscal year 2011 so that the rate is not less than ninety-nine per cent of the nursing facility's fiscal year 2010 partial rate.

(D) After the adjustments under divisions (B) and (C) of this section are made to a nursing facility's fiscal year 2011 rate, the Department of Job and Family Services shall increase the nursing facility's fiscal year 2011 rate by five dollars and seventy cents per Medicaid day. This increase shall be known as the workforce development incentive payment. The total amount of workforce development incentive payments paid to providers of nursing facilities shall be used to improve nursing facilities' employee retention and direct care staffing levels, including by increasing wages paid to nursing facilities' direct care staff. Not later than September 30, 2012, the Department shall submit a report to the Governor and, in accordance with section 101.68 of the Revised Code, the General Assembly detailing the impact that the workforce development incentive payments have on nursing facilities' employee retention, direct care staffing levels, and direct care staff wages.

(E) After the adjustment under division (D) of this section is made to a nursing facility's fiscal year 2011 rate, the Department of Job and Family Services shall increase the nursing facility's fiscal year 2011 rate by the consolidated services rate per Medicaid day. The consolidated services rate shall equal the sum of the following:

(1) Three dollars and ninety-one cents;

(2) The amount calculated under divisions (A)(1) to (4) of section 3721.50 of the Revised Code for fiscal year 2011.

(F) If the fiscal year 2010 rate for a nursing facility as initially determined under division (B) of section 309.30.20 of this act is not subject to an adjustment under division (C) of that section, the nursing facility's fiscal year 2011 rate as initially determined under division (B) of this section shall not be subject to an adjustment under division (C) of this section regardless of whether the nursing facility's fiscal year 2011 rate as initially determined under division (B) of this section would, if not for this division, be subject to the adjustment.

If the fiscal year 2011 rate for a nursing facility as initially determined under division (B) of this section is not subject to an adjustment under division (C) of this section, the nursing facility's rate shall not be subject to an adjustment under that division for the remainder of fiscal year 2011 regardless of any other adjustment made to the nursing facility's fiscal year 2011 rate under sections 5111.20 to 5111.33 of the Revised Code.

(G) Not later than October 1, 2010, the Department of Job and Family Services shall determine the rates to be paid providers of nursing facilities under this section. Until the rates are determined, the Department shall continue to pay a provider the rate the provider is paid for nursing facility services the provider's nursing facility provides on June 30, 2010. When the Department determines the rates to be paid under this section, the Department shall pay the rates retroactive to July 1, 2010.

(H) If the United States Centers for Medicare and Medicaid Services requires that the franchise permit fee be reduced or eliminated, the Department of Job and Family Services shall reduce the amount it pays providers of nursing facility services under this section as necessary to reflect the loss to the state of the revenue and federal financial participation generated from the franchise permit fee.

(I) The Department of Job and Family Services shall follow this section in determining the rate to be paid to the provider of a nursing facility that has a valid Medicaid provider agreement on June 30, 2010, and a valid Medicaid provider agreement during fiscal year 2011 notwithstanding anything to the contrary in sections 5111.20 to 5111.33 of the Revised Code."

In line 97345, delete ", as"

In line 97346, delete "as amended by this act"

Between lines 98090 and 98091, insert:

"The Director of Budget and Management shall transfer $4,700,000 cash in fiscal year 2010 and $3,200,000 cash in fiscal year 2011 from the Medicaid Program Support Fund (Fund 5C90) to the Nursing Facility Stabilization Fund (Fund 5R20)."

In line 106552, delete "or" and insert a comma; after "enactment" insert ", or repeal"

In line 106554, delete "5111.222," and insert "5111.20,"; delete "5111.25," and insert "5111.243, 5111.262, 5111.263,"

In line 149 of the title, after "5111.176," insert "5111.20,"; delete "5111.222,"

In line 150 of the title, delete "5111.25," and insert "5111.243,"

In line 213 of the title, after "5111.236," insert "5111.262,"

In line 243 of the title, after "5101.072," insert "5111.263,"

In line 101406, delete "shall" and insert "may"

In line 101411, delete "Proposals shall be solicited"

In line 101412, delete "through a request for proposals" and insert, "If the Department develops a pilot project, private correctional health care contractors shall be selected through a request for proposal process"

In line 101437, delete "The" and insert "If the Department develops the"; after "project" insert ", it"

In line 101438, delete the third comma and insert "and shall be"

In line 375, after "4105.17," insert "4112.01, 4112.04, 4112.05, 4112.051,"

Between lines 60897 and 60898, insert:

"**Sec. 4112.01.** (A) As used in this chapter:

(1) "Person" includes one or more individuals, partnerships, associations, organizations, corporations, legal representatives, trustees, trustees in bankruptcy, receivers, and other organized groups of persons. "Person" also includes, but is not limited to, any owner, lessor, assignor, builder, manager, broker, salesperson, appraiser, agent, employee, lending institution, and the state and all political subdivisions, authorities, agencies, boards, and commissions of the state.

(2) "Employer" includes the state, any political subdivision of the state, any person employing four or more persons within the state, and any person acting directly or indirectly in the interest of an employer.

(3) "Employee" means an individual employed by any employer but does not include any individual employed in the domestic service of any person.

(4) "Labor organization" includes any organization that exists, in whole or in part, for the purpose of collective bargaining or of dealing with employers concerning grievances, terms or conditions of employment, or other mutual aid or protection in relation to employment.

(5) "Employment agency" includes any person regularly undertaking, with or without compensation, to procure opportunities to work or to procure, recruit, refer, or place employees.

(6) "Commission" means the Ohio civil rights commission created by section 4112.03 of the Revised Code.

(7) "Discriminate" includes segregate or separate.

(8) "Unlawful discriminatory practice" means any act prohibited by section 4112.02, 4112.021, or 4112.022 of the Revised Code.

(9) "Place of public accommodation" means any inn, restaurant, eating house, barbershop, public conveyance by air, land, or water, theater, store, other place for the sale of merchandise, or any other place of public accommodation or amusement of which the accommodations, advantages, facilities, or privileges are available to the public.

(10) "Housing accommodations" includes any building or structure, or portion of a building or structure, that is used or occupied or is intended, arranged, or designed to be used or occupied as the home residence, dwelling,

dwelling unit, or sleeping place of one or more individuals, groups, or families whether or not living independently of each other; and any vacant land offered for sale or lease. "Housing accommodations" also includes any housing accommodations held or offered for sale or rent by a real estate broker, salesperson, or agent, by any other person pursuant to authorization of the owner, by the owner, or by the owner's legal representative.

(11) "Restrictive covenant" means any specification limiting the transfer, rental, lease, or other use of any housing accommodations because of race, color, religion, sex, military status, familial status, national origin, disability, or ancestry, or any limitation based upon affiliation with or approval by any person, directly or indirectly, employing race, color, religion, sex, military status, familial status, national origin, disability, or ancestry as a condition of affiliation or approval.

(12) "Burial lot" means any lot for the burial of deceased persons within any public burial ground or cemetery, including, but not limited to, cemeteries owned and operated by municipal corporations, townships, or companies or associations incorporated for cemetery purposes.

(13) "Disability" means a physical or mental impairment that substantially limits one or more major life activities, including the functions of caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, and working; a record of a physical or mental impairment; or being regarded as having a physical or mental impairment.

(14) Except as otherwise provided in section 4112.021 of the Revised Code, "age" means at least forty years old.

(15) "Familial status" means either of the following:

(a) One or more individuals who are under eighteen years of age and who are domiciled with a parent or guardian having legal custody of the individual or domiciled, with the written permission of the parent or guardian having legal custody, with a designee of the parent or guardian;

(b) Any person who is pregnant or in the process of securing legal custody of any individual who is under eighteen years of age.

(16)(a) Except as provided in division (A)(16)(b) of this section, "physical or mental impairment" includes any of the following:

(i) Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine;

(ii) Any mental or psychological disorder, including, but not limited to, mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities;

(iii) Diseases and conditions, including, but not limited to, orthopedic, visual, speech, and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, human immunodeficiency virus infection, mental retardation, emotional illness, drug addiction, and alcoholism.

(b) "Physical or mental impairment" does not include any of the following:

(i) Homosexuality and bisexuality;

(ii) Transvestism, transsexualism, pedophilia, exhibitionism, voyeurism, gender identity disorders not resulting from physical impairments, or other sexual behavior disorders;

(iii) Compulsive gambling, kleptomania, or pyromania;

(iv) Psychoactive substance use disorders resulting from the current illegal use of a controlled substance or the current use of alcoholic beverages.

(17) "Dwelling unit" means a single unit of residence for a family of one or more persons.

(18) "Common use areas" means rooms, spaces, or elements inside or outside a building that are made available for the use of residents of the building or their guests, and includes, but is not limited to, hallways, lounges, lobbies, laundry rooms, refuse rooms, mail rooms, recreational areas, and passageways among and between buildings.

(19) "Public use areas" means interior or exterior rooms or spaces of a privately or publicly owned building that are made available to the general public.

(20) "Controlled substance" has the same meaning as in section 3719.01 of the Revised Code.

(21) "Disabled tenant" means a tenant or prospective tenant who is a person with a disability.

(22) "Military status" means a person's status in "service in the uniformed services" as defined in section 5923.05 of the Revised Code.

(23) "Aggrieved person" includes both of the following:

(a) Any person who claims to have been injured by any unlawful discriminatory practice described in division (H) of section 4112.02 of the Revised Code;

(b) Any person who believes that the person will be injured by, any unlawful discriminatory practice described in division (H) of section 4112.02 of the Revised Code that is about to occur.

(B) For the purposes of divisions (A) to (F) of section 4112.02 of the Revised Code, the terms "because of sex" and "on the basis of sex" include, but

are not limited to, because of or on the basis of pregnancy, any illness arising out of and occurring during the course of a pregnancy, childbirth, or related medical conditions. Women affected by pregnancy, childbirth, or related medical conditions shall be treated the same for all employment-related purposes, including receipt of benefits under fringe benefit programs, as other persons not so affected but similar in their ability or inability to work, and nothing in division (B) of section 4111.17 of the Revised Code shall be interpreted to permit otherwise. This division shall not be construed to require an employer to pay for health insurance benefits for abortion, except where the life of the mother would be endangered if the fetus were carried to term or except where medical complications have arisen from the abortion, provided that nothing in this division precludes an employer from providing abortion benefits or otherwise affects bargaining agreements in regard to abortion.

Sec. 4112.04. (A) The commission shall do all of the following:

(1) Establish and maintain a principal office in the city of Columbus and any other offices within the state that it considers necessary;

(2) Appoint an executive director who shall serve at the pleasure of the commission and be its principal administrative officer. The executive director shall be paid a salary fixed pursuant to Chapter 124. of the Revised Code.

(3) Appoint hearing examiners and other employees and agents who it considers necessary and prescribe their duties subject to Chapter 124. of the Revised Code;

(4) Adopt, promulgate, amend, and rescind rules to effectuate the provisions of this chapter and the policies and practice of the commission in connection with this chapter;

(5) Formulate policies to effectuate the purposes of this chapter and make recommendations to agencies and officers of the state or political subdivisions to effectuate the policies;

(6) Receive, investigate, and pass upon written charges made under oath of unlawful discriminatory practices;

(7) Make periodic surveys of the existence and effect of discrimination because of race, color, religion, sex, military status, familial status, national origin, disability, age, or ancestry on the enjoyment of civil rights by persons within the state;

(8) Report, from time to time, but not less than once a year, to the general assembly and the governor, describing in detail the investigations, proceedings, and hearings it has conducted and their outcome, the decisions it has rendered, and the other work performed by it, which report shall include a copy of any surveys prepared pursuant to division (A)(7) of this section and shall include the recommendations of the commission as to legislative or other remedial action;

(9) Prepare a comprehensive educational program, in cooperation with

the department of education, for the students of the public schools of this state and for all other residents of this state that is designed to eliminate prejudice on the basis of race, color, religion, sex, military status, familial status, national origin, disability, age, or ancestry in this state, to further good will among those groups, and to emphasize the origin of prejudice against those groups, its harmful effects, and its incompatibility with American principles of equality and fair play;

(10) Receive progress reports from agencies, instrumentalities, institutions, boards, commissions, and other entities of this state or any of its political subdivisions and their agencies, instrumentalities, institutions, boards, commissions, and other entities regarding affirmative action programs for the employment of persons against whom discrimination is prohibited by this chapter, or regarding any affirmative housing accommodations programs developed to eliminate or reduce an imbalance of race, color, religion, sex, military status, familial status, national origin, disability, or ancestry. All agencies, instrumentalities, institutions, boards, commissions, and other entities of this state or its political subdivisions, and all political subdivisions, that have undertaken affirmative action programs pursuant to a conciliation agreement with the commission, an executive order of the governor, any federal statute or rule, or an executive order of the president of the United States shall file progress reports with the commission annually on or before the first day of November. The commission shall analyze and evaluate the progress reports and report its findings annually to the general assembly on or before the thirtieth day of January of the year immediately following the receipt of the reports.

(B) The commission may do any of the following:

(1) Meet and function at any place within the state;

(2) Initiate and undertake on its own motion investigations of problems of employment or housing accommodations discrimination;

(3) Hold hearings, subpoena witnesses, compel their attendance, administer oaths, take the testimony of any person under oath, require the production for examination of any books and papers relating to any matter under investigation or in question before the commission, and make rules as to the issuance of subpoenas by individual commissioners.

(a) In conducting a hearing or investigation, the commission shall have access at all reasonable times to premises, records, documents, individuals, and other evidence or possible sources of evidence and may examine, record, and copy the premises, records, documents, and other evidence or possible sources of evidence and take and record the testimony or statements of the individuals as reasonably necessary for the furtherance of the hearing or investigation. In investigations, the commission shall comply with the fourth amendment to the United States Constitution relating to unreasonable searches and seizures. The commission or a member of the commission may issue subpoenas to compel access to or the production of premises, records, documents, and other evidence

or possible sources of evidence or the appearance of individuals, and may issue interrogatories to a respondent, to the same extent and subject to the same limitations as would apply if the subpoenas or interrogatories were issued or served in aid of a civil action in a court of common pleas.

(b) Upon written application by a ~~respondent~~ party to a hearing under division (B) of section 4112.05 of the Revised Code, the commission shall issue subpoenas in its name to the same extent and subject to the same limitations as subpoenas issued by the commission. Subpoenas issued at the request of a ~~respondent~~ party shall show on their face the name and address of the ~~respondent~~ party and shall state that they were issued at the ~~respondent's~~ party's request.

(c) Witnesses summoned by subpoena of the commission are entitled to the same witness and mileage fees as are witnesses in proceedings in a court of common pleas.

(d) Within five days after service of a subpoena upon any person, the person may petition the commission to revoke or modify the subpoena. The commission shall grant the petition if it finds that the subpoena requires an appearance or attendance at an unreasonable time or place, that it requires production of evidence that does not relate to any matter before the commission, that it does not describe with sufficient particularity the evidence to be produced, that compliance would be unduly onerous, or for other good reason.

(e) In case of contumacy or refusal to obey a subpoena, the commission or person at whose request it was issued may petition for its enforcement in the court of common pleas in the county in which the person to whom the subpoena was addressed resides, was served, or transacts business.

(4) Create local or statewide advisory agencies and conciliation councils to aid in effectuating the purposes of this chapter. The commission may itself, or it may empower these agencies and councils to, do either or both of the following:

(a) Study the problems of discrimination in all or specific fields of human relationships when based on race, color, religion, sex, military status, familial status, national origin, disability, age, or ancestry;

(b) Foster through community effort, or otherwise, good will among the groups and elements of the population of the state.

The agencies and councils may make recommendations to the commission for the development of policies and procedures in general. They shall be composed of representative citizens who shall serve without pay, except that reimbursement for actual and necessary traveling expenses shall be made to citizens who serve on a statewide agency or council.

(5) Issue any publications and the results of investigations and research that in its judgment will tend to promote good will and minimize or eliminate discrimination because of race, color, religion, sex, military status, familial status, national origin, disability, age, or ancestry.

Sec. 4112.05. (A) The commission, as provided in this section, shall prevent any person from engaging in unlawful discriminatory practices, provided that, before instituting the formal hearing authorized by division (B) of this section, it shall attempt, by informal methods of conference, conciliation, and persuasion, to induce compliance with this chapter.

(B)(1) Any person may file a charge with the commission alleging that another person has engaged or is engaging in an unlawful discriminatory practice. In the case of a charge alleging an unlawful discriminatory practice described in division (A), (B), (C), (D), (E), (F), (G), (I), or (J) of section 4112.02 or in section 4112.021 or 4112.022 of the Revised Code, the charge shall be in writing and under oath and shall be filed with the commission within six months after the alleged unlawful discriminatory practice was committed. In the case of a charge alleging an unlawful discriminatory practice described in division (H) of section 4112.02 of the Revised Code, the charge shall be in writing and under oath and shall be filed with the commission within one year after the alleged unlawful discriminatory practice was committed.

(2) Upon receiving a charge, the commission may initiate a preliminary investigation to determine whether it is probable that an unlawful discriminatory practice has been or is being engaged in. The commission also may conduct, upon its own initiative and independent of the filing of any charges, a preliminary investigation relating to any of the unlawful discriminatory practices described in division (A), (B), (C), (D), (E), (F), (I), or (J) of section 4112.02 or in section 4112.021 or 4112.022 of the Revised Code. Prior to a notification of a complainant under division (B)(4) of this section or prior to the commencement of informal methods of conference, conciliation, and persuasion under that division, the members of the commission and the officers and employees of the commission shall not make public in any manner and shall retain as confidential all information that was obtained as a result of or that otherwise pertains to a preliminary investigation other than one described in division (B)(3) of this section.

(3)(a) Unless it is impracticable to do so and subject to its authority under division (B)(3)(d) of this section, the commission shall complete a preliminary investigation of a charge filed pursuant to division (B)(1) of this section that alleges an unlawful discriminatory practice described in division (H) of section 4112.02 of the Revised Code, and shall take one of the following actions, within one hundred days after the filing of the charge:

(i) Notify the complainant and the respondent that it is not probable that an unlawful discriminatory practice described in division (H) of section 4112.02 of the Revised Code has been or is being engaged in and that the commission will not issue a complaint in the matter;

(ii) Initiate a complaint and schedule it for informal methods of conference, conciliation, and persuasion;

(iii) Initiate a complaint and refer it to the attorney general with a

recommendation to seek a temporary or permanent injunction or a temporary restraining order. If this action is taken, the attorney general shall apply, as expeditiously as possible after receipt of the complaint, to the court of common pleas of the county in which the unlawful discriminatory practice allegedly occurred for the appropriate injunction or order, and the court shall hear and determine the application as expeditiously as possible.

(b) If it is not practicable to comply with the requirements of division (B)(3)(a) of this section within the one-hundred-day period described in that division, the commission shall notify the complainant and the respondent in writing of the reasons for the noncompliance.

(c) Prior to the issuance of a complaint under division (B)(3)(a)(ii) or (iii) of this section or prior to a notification of the complainant and the respondent under division (B)(3)(a)(i) of this section, the members of the commission and the officers and employees of the commission shall not make public in any manner and shall retain as confidential all information that was obtained as a result of or that otherwise pertains to a preliminary investigation of a charge filed pursuant to division (B)(1) of this section that alleges an unlawful discriminatory practice described in division (H) of section 4112.05 of the Revised Code.

(d) Notwithstanding the types of action described in divisions (B)(3)(a)(ii) and (iii) of this section, prior to the issuance of a complaint or the referral of a complaint to the attorney general and prior to endeavoring to eliminate an unlawful discriminatory practice described in division (H) of section 4112.02 of the Revised Code by informal methods of conference, conciliation, and persuasion, the commission may seek a temporary or permanent injunction or a temporary restraining order in the court of common pleas of the county in which the unlawful discriminatory practice allegedly occurred.

(4) If the commission determines after a preliminary investigation other than one described in division (B)(3) of this section that it is not probable that an unlawful discriminatory practice has been or is being engaged in, it shall notify any complainant under division (B)(1) of this section that it has so determined and that it will not issue a complaint in the matter. If the commission determines after a preliminary investigation other than the one described in division (B)(3) of this section that it is probable that an unlawful discriminatory practice has been or is being engaged in, it shall endeavor to eliminate the practice by informal methods of conference, conciliation, and persuasion.

(5) Nothing said or done during informal methods of conference, conciliation, and persuasion under this section shall be disclosed by any member of the commission or its staff or be used as evidence in any subsequent hearing or other proceeding. If, after a preliminary investigation and the use of informal methods of conference, conciliation, and persuasion under this section, the commission is satisfied that any unlawful discriminatory practice will be eliminated, it may treat the charge involved as being conciliated and enter that disposition on the records of the commission. If the commission fails to effect

the elimination of an unlawful discriminatory practice by informal methods of conference, conciliation, and persuasion under this section and to obtain voluntary compliance with this chapter, the commission shall issue and cause to be served upon any person, including the respondent against whom a complainant has filed a charge pursuant to division (B)(1) of this section, a complaint stating the charges involved and containing a notice of an opportunity for a hearing before the commission, a member of the commission, or a hearing examiner at a place that is stated in the notice and that is located within the county in which the alleged unlawful discriminatory practice has occurred or is occurring or in which the respondent resides or transacts business. The hearing shall be held not less than thirty days after the service of the complaint upon the complainant, the aggrieved persons other than the complainant on whose behalf the complaint is issued, and the respondent, unless the complainant, an aggrieved person, or the respondent elects to proceed under division (A)(2) of section 4112.051 of the Revised Code when that division is applicable. If a complaint pertains to an alleged unlawful discriminatory practice described in division (H) of section 4112.02 of the Revised Code, the complaint shall notify the complainant, an aggrieved person, and the respondent of the right of the complainant, an aggrieved person, or the respondent to elect to proceed with the administrative hearing process under this section or to proceed under division (A)(2) of section 4112.051 of the Revised Code.

(6) The attorney general shall represent the commission at any hearing held pursuant to division (B)(5) of this section and shall present the evidence in support of the complaint.

(7) Any complaint issued pursuant to division (B)(5) of this section after the filing of a charge under division (B)(1) of this section shall be so issued within one year after the complainant filed the charge with respect to an alleged unlawful discriminatory practice.

(C) Any complaint issued pursuant to division (B) of this section may be amended by the commission, a member of the commission, or the hearing examiner conducting a hearing under division (B) of this section, at any time prior to or during the hearing. The respondent has the right to file an answer or an amended answer to the original and amended complaints and to appear at the hearing in person, by attorney, or otherwise to examine and cross-examine witnesses.

(D) The complainant shall be a party to a hearing under division (B) of this section, and any person who is an indispensable party to a complete determination or settlement of a question involved in the hearing shall be joined. Any aggrieved person who has or claims an interest in the subject of the hearing and in obtaining or preventing relief against the unlawful discriminatory practices complained of ~~may~~ shall be permitted ~~, in the discretion of the person or persons conducting the hearing,~~ to appear only for the presentation of oral or written arguments , to present evidence, perform direct and cross-examination, and be represented by counsel. The commission shall adopt rules, in accordance

with Chapter 119. of the Revised Code governing the authority granted under this division.

(E) In any hearing under division (B) of this section, the commission, a member of the commission, or the hearing examiner shall not be bound by the Rules of Evidence but, in ascertaining the practices followed by the respondent, shall take into account all reliable, probative, and substantial statistical or other evidence produced at the hearing that may tend to prove the existence of a predetermined pattern of employment or membership, provided that nothing contained in this section shall be construed to authorize or require any person to observe the proportion that persons of any race, color, religion, sex, military status, familial status, national origin, disability, age, or ancestry bear to the total population or in accordance with any criterion other than the individual qualifications of the applicant.

(F) The testimony taken at a hearing under division (B) of this section shall be under oath and shall be reduced to writing and filed with the commission. Thereafter, in its discretion, the commission, upon the service of a notice upon the complainant and the respondent that indicates an opportunity to be present, may take further testimony or hear argument.

(G)(1) If, upon all reliable, probative, and substantial evidence presented at a hearing under division (B) of this section, the commission determines that the respondent has engaged in, or is engaging in, any unlawful discriminatory practice, whether against the complainant or others, the commission shall state its findings of fact and conclusions of law and shall issue and, subject to the provisions of Chapter 119. of the Revised Code, cause to be served on the respondent an order requiring the respondent to cease and desist from the unlawful discriminatory practice, requiring the respondent to take any further affirmative or other action that will effectuate the purposes of this chapter, including, but not limited to, hiring, reinstatement, or upgrading of employees with or without back pay, or admission or restoration to union membership, and requiring the respondent to report to the commission the manner of compliance. If the commission directs payment of back pay, it shall make allowance for interim earnings. If it finds a violation of division (H) of section 4112.02 of the Revised Code, the commission additionally shall require the respondent to pay actual damages and reasonable attorney's fees, and may award to the complainant punitive damages as follows:

(a) If division (G)(1)(b) or (c) of this section does not apply, punitive damages in an amount not to exceed ten thousand dollars;

(b) If division (G)(1)(c) of this section does not apply and if the respondent has been determined by a final order of the commission or by a final judgment of a court to have committed one violation of division (H) of section 4112.02 of the Revised Code during the five-year period immediately preceding the date on which a complaint was issued pursuant to division (B) of this section, punitive damages in an amount not to exceed twenty-five thousand dollars;

(c) If the respondent has been determined by a final order of the

commission or by a final judgment of a court to have committed two or more violations of division (H) of section 4112.02 of the Revised Code during the seven-year period immediately preceding the date on which a complaint was issued pursuant to division (B) of this section, punitive damages in an amount not to exceed fifty thousand dollars.

(2) Upon the submission of reports of compliance, the commission may issue a declaratory order stating that the respondent has ceased to engage in particular unlawful discriminatory practices.

(H) If the commission finds that no probable cause exists for crediting charges of unlawful discriminatory practices or if, upon all the evidence presented at a hearing under division (B) of this section on a charge, the commission finds that a respondent has not engaged in any unlawful discriminatory practice against the complainant or others, it shall state its findings of fact and shall issue and cause to be served on the complainant an order dismissing the complaint as to the respondent. A copy of the order shall be delivered in all cases to the attorney general and any other public officers whom the commission considers proper.

(I) Until the time period for appeal set forth in division (H) of section 4112.06 of the Revised Code expires, the commission, subject to the provisions of Chapter 119. of the Revised Code, at any time, upon reasonable notice, and in the manner it considers proper, may modify or set aside, in whole or in part, any finding or order made by it under this section.

Sec. 4112.051. (A)(1) Aggrieved persons may enforce the rights granted by division (H) of section 4112.02 of the Revised Code by filing a civil action in the court of common pleas of the county in which the alleged unlawful discriminatory practice occurred within one year after it allegedly occurred. Upon application by an aggrieved person, upon a proper showing, and under circumstances that it considers just, a court of common pleas may appoint an attorney for the aggrieved person and authorize the commencement of a civil action under this division without the payment of costs.

Each party to a civil action under this division has the right to a jury trial of the action. To assert the right, a party shall demand a jury trial in the manner prescribed in the Rules of Civil Procedure. If a party demands a jury trial in that manner, the civil action shall be tried to a jury.

(2)(a) If a complaint is issued by the commission under division (B)(5) of section 4112.05 of the Revised Code for one or more alleged unlawful discriminatory practices described in division (H) of section 4112.02 of the Revised Code, the complainant, any aggrieved person on whose behalf the complaint is issued, or the respondent may elect, following receipt of the relevant notice described in division (B)(5) of section 4112.05 of the Revised Code, to proceed with the administrative hearing process under that section or to have the alleged unlawful discriminatory practices covered by the complaint addressed in a civil action commenced in accordance with divisions (A)(1) and

(2)(b) of this section. An election to have the alleged unlawful discriminatory practices so addressed shall be made in a writing that is sent by certified mail, return receipt requested, to the commission, to the civil rights section of the office of the attorney general, and to the other parties to the pending administrative process within thirty days after the electing complainant, aggrieved person, or respondent received the relevant notice described in division (B)(5) of section 4112.05 of the Revised Code.

(b) Upon receipt of a timely mailed election to have the alleged unlawful discriminatory practices addressed in a civil action, the commission shall authorize the office of the attorney general to commence and maintain the civil action in the court of common pleas of the county in which the alleged unlawful discriminatory practices occurred. Notwithstanding the period of limitations specified in division (A)(1) of this section, the office of the attorney general shall commence the civil action within thirty days after the receipt of the commission's authorization to commence the civil action.

(c) Upon commencement of the civil action in accordance with division (A)(2)(b) of this section, the commission shall prepare an order dismissing the complaint in the pending administrative matter and serve a copy of the order upon the complainant, each aggrieved person on whose behalf the complaint was issued, and the respondent.

(d) If an election to have the alleged unlawful discriminatory practices addressed in a civil action is not filed in accordance with division (A)(2)(a) of this section, the commission shall continue with the administrative hearing process described in section 4112.05 of the Revised Code.

(e) With respect to the issues to be determined in a civil action commenced in accordance with division (A)(2)(b) of this section, any aggrieved person may intervene as a matter of right in that civil action.

(B) If the court or the jury in a civil action under this section finds that a violation of division (H) of section 4112.02 of the Revised Code is about to occur, the court may order any affirmative action it considers appropriate, including a permanent or ~~termporary~~ temporary injunction or temporary restraining order.

(C) Any sale, encumbrance, or rental consummated prior to the issuance of any court order under the authority of this section and involving a bona fide purchaser, encumbrancer, or tenant without actual notice of the existence of a charge under division (H) of section 4112.02 of the Revised Code or a civil action under this section is not affected by the court order.

(D) If the court or the jury in a civil action under this section finds that a violation of division (H) of section 4112.02 of the Revised Code has occurred, the court shall award to the plaintiff or to the complainant or aggrieved person on whose behalf the office of the attorney general commenced or maintained the civil action, whichever is applicable, actual damages, reasonable attorney's fees, court costs incurred in the prosecution of the action, expert witness fees, and

other litigation expenses, and may grant other relief that it considers appropriate, including a permanent or temporary injunction, a temporary restraining order, or other order and punitive damages.

(E) Any civil action brought under this section shall be heard and determined as expeditiously as possible.

(F) The court in a civil action under this section shall notify the commission of any finding pertaining to discriminatory housing practices within fifteen days after the entry of the finding."

In line 90877, after "4105.17," insert "4112.01, 4112.04, 4112.05, 4112.051,"

In line 113 of the title, after "4105.17," insert "4112.01, 4112.04, 4112.05, 4112.051,"

In line 349, after "3319.63," insert "3321.01, 3321.05,"

Between lines 43147 and 43148, insert:

"**Sec. 3321.01.** (A)(1) As used in this chapter, "parent," "guardian," or "other person having charge or care of a child" means either parent unless the parents are separated or divorced or their marriage has been dissolved or annulled, in which case "parent" means the parent who is the residential parent and legal custodian of the child. If the child is in the legal or permanent custody of a person or government agency, "parent" means that person or government agency. When a child is a resident of a home, as defined in section 3313.64 of the Revised Code, and the child's parent is not a resident of this state, "parent," "guardian," or "other person having charge or care of a child" means the head of the home.

A child between six and eighteen years of age is "of compulsory school age" for the purpose of sections 3321.01 to 3321.13 of the Revised Code. A child under six years of age who has been enrolled in kindergarten also shall be considered "of compulsory school age" for the purpose of sections 3321.01 to 3321.13 of the Revised Code unless at any time the child's parent or guardian, at the parent's or guardian's discretion and in consultation with the child's teacher and principal, formally withdraws the child from kindergarten. The compulsory school age of a child shall not commence until the beginning of the term of such schools, or other time in the school year fixed by the rules of the board of the district in which the child resides.

(2) No child shall be admitted to a kindergarten or a first grade of a public school in a district in which all children are admitted to kindergarten and the first grade in August or September unless the child is five or six years of age, respectively, by the thirtieth day of September of the year of admittance, or by the first day of a term or semester other than one beginning in August or September in school districts granting admittance at the beginning of such term or semester, except that in those school districts using or obtaining educationally accepted standardized testing programs for determining entrance, as approved by

the board of education of such districts, the board shall admit a child to kindergarten or the first grade who fails to meet the age requirement, provided the child meets necessary standards as determined by such standardized testing programs. If the board of education has not established a standardized testing program, the board shall designate the necessary standards and a testing program it will accept for the purpose of admitting a child to kindergarten or first grade who fails to meet the age requirement. Each child who will be the proper age for entrance to kindergarten or first grade by the first day of January of the school year for which admission is requested shall be so tested upon the request of the child's parent.

(3) Notwithstanding divisions (A)(2) and (D) of this section, beginning with the school year that starts in 2001 and continuing thereafter the board of education of any district may adopt a resolution establishing the first day of August in lieu of the thirtieth day of September as the required date by which students must have attained the age specified in those divisions.

(B) As used in divisions (C) and (D) of this section, "successfully completed kindergarten" and "successful completion of kindergarten" mean that the child has completed the kindergarten requirements at one of the following:

(1) A public or chartered nonpublic school;

(2) A kindergarten class that is both of the following:

(a) Offered by a day-care provider licensed under Chapter 5104. of the Revised Code;

(b) If offered after July 1, 1991, is directly taught by a teacher who holds one of the following:

(i) A valid educator license issued under section 3319.22 of the Revised Code;

(ii) A Montessori preprimary credential or age-appropriate diploma granted by the American Montessori society or the association Montessori internationale;

(iii) Certification determined under division (G) of this section to be equivalent to that described in division (B)(2)(b)(ii) of this section;

(iv) Certification for teachers in nontax-supported schools pursuant to section 3301.071 of the Revised Code.

(C) Except as provided in division (D) of this section, no school district shall admit to the first grade any child who has not successfully completed kindergarten.

(D) Upon request of a parent, the requirement of division (C) of this section may be waived by the district's pupil personnel services committee in the case of a child who is at least six years of age by the thirtieth day of September of the year of admittance and who demonstrates to the satisfaction of the

committee the possession of the social, emotional, and cognitive skills necessary for first grade.

The board of education of each city, local, and exempted village school district shall establish a pupil personnel services committee. The committee shall be composed of all of the following to the extent such personnel are either employed by the district or employed by the governing board of the educational service center within whose territory the district is located and the educational service center generally furnishes the services of such personnel to the district:

(1) The director of pupil personnel services;

(2) An elementary school counselor;

(3) An elementary school principal;

(4) A school psychologist;

(5) A teacher assigned to teach first grade;

(6) A gifted coordinator.

The responsibilities of the pupil personnel services committee shall be limited to the issuing of waivers allowing admittance to the first grade without the successful completion of kindergarten. The committee shall have no other authority except as specified in this section.

(E) The scheduling of times for kindergarten classes and length of the school day for kindergarten shall be determined by the board of education of a city, exempted village, or local school district , subject to section 3321.05 of the Revised Code.

(F) Any kindergarten class offered by a day-care provider or school described by division (B)(1) or (B)(2)(a) of this section shall be developmentally appropriate.

(G) Upon written request of a day-care provider described by division (B)(2)(a) of this section, the department of education shall determine whether certification held by a teacher employed by the provider meets the requirement of division (B)(2)(b)(iii) of this section and, if so, shall furnish the provider a statement to that effect.

(H) ~~As used in this division, "all-day kindergarten" has the same meaning as in section 3317.029 of the Revised Code.~~

~~(1) Any school district that is not eligible to receive poverty-based assistance for all-day kindergarten under division (D) of section 3317.029 of the Revised Code may charge fees or tuition for students enrolled in all-day kindergarten. If a district charges fees or tuition for all-day kindergarten under this division, the district shall develop a sliding fee scale based on family incomes.~~

~~(2)~~ The department of education shall conduct an annual survey of each

school district ~~described in division (H)(1) of this section~~ to determine the following:

~~(a) Whether the district charges fees or tuition for students enrolled in all-day kindergarten;~~

~~(b) The amount of the fees or tuition charged;~~

~~(c)~~ (1) How many ~~of the~~ students ~~for whom tuition is charged~~ are eligible for free lunches under the "National School Lunch Act," 60 Stat. 230 (1946), 42 U.S.C. 1751, as amended, and the "Child Nutrition Act of 1966," 80 Stat. 885, 42 U.S.C. 1771, as amended ~~, and how many of the students for whom tuition is charged are eligible for reduced price lunches under those acts;~~

~~(d)~~ (2) How many students are enrolled in ~~traditional~~ half-day kindergarten ~~rather than~~ and how many students are enrolled in all-day kindergarten , as defined in section 3321.05 of the Revised Code.

Each district shall report to the department, in the manner prescribed by the department, the information ~~described in divisions (H)(2)(a) to (d) of this section~~ required by this division.

The department shall issue an annual report on the results of the survey and shall post the report on its web site. The department shall issue the first report not later than April 30, 2008, and shall issue a report not later than the thirtieth day of April each year thereafter.

Sec. 3321.05. (A) As used in this section, "all-day kindergarten" means a kindergarten class that is in session five days per week for not less than the same number of clock hours each day as for students in grades one through six.

(B) Any school district may operate all-day kindergarten or extended kindergarten, but ~~no~~ beginning in fiscal year 2011, each city, local, and exempted village school district shall provide all-day kindergarten to each student enrolled in kindergarten, except as specified in divisions (C) and (D) of this section.

(C) The board of education of a school district may apply to the superintendent of public instruction for a waiver of the requirement to provide all-day kindergarten for all kindergarten students. In making the determination to grant or deny the waiver, the state superintendent may consider space concerns or alternative delivery approaches used by the school district.

(D) No district shall require any student to attend kindergarten for more than one-half of the number of clock hours required each day for ~~traditional kindergarten~~ grades one through six by the minimum standards adopted under division (D) of section 3301.07 of the Revised Code. Each school district ~~that operates all-day or extended kindergarten~~ shall accommodate kindergarten students whose parents or guardians elect to enroll them for one-half of the minimum number of hours required each day for grades one through six.

(E) A school district may use space in child day-care centers licensed

under Chapter 5104. of the Revised Code to provide all-day kindergarten under this section."

In line 90851, after "3319.63," insert "3321.01, 3321.05,"

Between lines 95937 and 95938, insert:

"**Section 265.70.70.** As used in this section, "all-day kindergarten" has the same meaning as in section 3321.05 of the Revised Code.

Any school district or community school established under Chapter 3314. of the Revised Code that, in fiscal year 2009, offered all-day kindergarten and charged fees or tuition for students enrolled in all-day kindergarten in accordance with section 3321.01 of the Revised Code, as it existed prior to the effective date of this section, may charge fees or tuition for students enrolled in all-day kindergarten in fiscal years 2010 and 2011, at a rate not higher than the per-student amount charged in fiscal year 2009 as specified in the sliding fee scale based on family incomes developed by the district or community school for that fiscal year. No district or community school shall charge fees or tuition for students enrolled in all-day kindergarten after fiscal year 2011."

In line 77 of the title, after "3319.63," insert "3321.01, 3321.05,"

Delete lines 95029 through 95054

In line 344, after "3313.978," insert "3314.012,"

Between lines 38152 and 38153, insert:

"**Sec. 3314.012.** (A) Within ninety days of September 28, 1999, the superintendent of public instruction shall appoint representatives of the department of education, including employees who work with the education management information system and employees of the office of community schools established by section 3314.11 of the Revised Code, to a committee to develop report card models for community schools. The director of the legislative office of education oversight shall also appoint representatives to the committee. The committee shall design model report cards appropriate for the various types of community schools approved to operate in the state. Sufficient models shall be developed to reflect the variety of grade levels served and the missions of the state's community schools. All models shall include both financial and academic data. The initial models shall be developed by March 31, 2000.

(B) The department of education shall issue an annual report card for each community school , regardless of how long the school has been in operation. The report card shall report the academic and financial performance of the school utilizing one of the models developed under division (A) of this section. The report card shall include all information applicable to school buildings under division (A) of section 3302.03 of the Revised Code and section 3302.032 of the Revised Code. The ratings a community school receives under section 3302.03 of the Revised Code for its first two full school years shall not

be considered toward automatic closure of the school under section 3314.35 of the Revised Code or any other matter that is based on report card ratings.

(C) Upon receipt of a copy of a contract between a sponsor and a community school entered into under this chapter, the department of education shall notify the community school of the specific model report card that will be used for that school.

(D) Report cards shall be distributed to the parents of all students in the community school, to the members of the board of education of the school district in which the community school is located, and to any person who requests one from the department.

~~(E) No report card shall be issued for any community school under this section until the school has been open for instruction for two full school years.~~"

In line 90846, after "3313.978," insert "3314.012,"

In line 69 of the title, after "3313.978," insert "3314.012,"

In line 344, after "3313.978," insert "3314.015,"; after "3314.02," insert "3314.021,"

In line 441, after "3314.028," insert "3314.191,"

In line 457, after "enacted" insert "; and Section 6 of H.B. 364 of the 124th General Assembly be amended and Section 6 of H.B. 364 of the 124th General Assembly be amended to codify as section 3314.027 of the Revised Code"

Between lines 38152 and 38153, insert:

"**Sec. 3314.015.** (A) The department of education shall be responsible for the oversight of any and all sponsors of the community schools established under this chapter and shall provide technical assistance to schools and sponsors in their compliance with applicable laws and the terms of the contracts entered into under section 3314.03 of the Revised Code and in the development and start-up activities of those schools. In carrying out its duties under this section, the department shall do all of the following:

(1) In providing technical assistance to proposing parties, governing authorities, and sponsors, conduct training sessions and distribute informational materials;

(2) Approve entities to be sponsors of community schools ~~and monitor~~ ;

(3) Monitor the effectiveness of ~~those~~ any and all sponsors in their oversight of the schools with which they have contracted;

~~(3)~~ (4) By December thirty-first of each year, issue a report to the governor, the speaker of the house of representatives, the president of the senate, and the chairpersons of the house and senate committees principally responsible for education matters regarding the effectiveness of academic programs, operations, and legal compliance and of the financial condition of all community

schools established under this chapter and on the performance of community school sponsors;

~~(4)~~ (5) From time to time, make legislative recommendations to the general assembly designed to enhance the operation and performance of community schools.

(B)(1) ~~No~~ Except as provided in sections 3314.021 and 3314.027 of the Revised Code, no entity listed in division (C)(1) of section 3314.02 of the Revised Code shall enter into a preliminary agreement under division (C)(2) of section 3314.02 of the Revised Code until it has received approval from the department of education to sponsor community schools under this chapter and has entered into a written agreement with the department regarding the manner in which the entity will conduct such sponsorship. The department shall adopt in accordance with Chapter 119. of the Revised Code rules containing criteria, procedures, and deadlines for processing applications for such approval, for oversight of sponsors, for revocation of the approval of sponsors, and for entering into written agreements with sponsors. The rules shall require an entity to submit evidence of the entity's ability and willingness to comply with the provisions of division (D) of section 3314.03 of the Revised Code. The rules also shall require entities approved as sponsors on and after June 30, 2005, to demonstrate a record of financial responsibility and successful implementation of educational programs. If an entity seeking approval on or after June 30, 2005, to sponsor community schools in this state sponsors or operates schools in another state, at least one of the schools sponsored or operated by the entity must be comparable to or better than the performance of Ohio schools in need of continuous improvement under section 3302.03 of the Revised Code, as determined by the department.

An entity that sponsors community schools may enter into preliminary agreements and sponsor schools as follows, provided each school and the contract for sponsorship meets the requirements of this chapter:

(a) An entity that sponsored fifty or fewer schools that were open for operation as of May 1, 2005, may sponsor not more than fifty schools.

(b) An entity that sponsored more than fifty but not more than seventy-five schools that were open for operation as of May 1, 2005, may sponsor not more than the number of schools the entity sponsored that were open for operation as of May 1, 2005.

(c) Until June 30, 2006, an entity that sponsored more than seventy-five schools that were open for operation as of May 1, 2005, may sponsor not more than the number of schools the entity sponsored that were open for operation as of May 1, 2005. After June 30, 2006, such an entity may sponsor not more than seventy-five schools.

Upon approval of an entity to be a sponsor under this division, the department shall notify the entity of the number of schools the entity may sponsor.

The limit imposed on an entity to which division (B)(1) of this section applies shall be decreased by one for each school sponsored by the entity that permanently closes.

If at any time an entity exceeds the number of schools it may sponsor under this division, the department shall assist the schools in excess of the entity's limit in securing new sponsors. If a school is unable to secure a new sponsor, the department shall assume sponsorship of the school in accordance with division (C) of this section. Those schools for which another sponsor or the department assumes sponsorship shall be the schools that most recently entered into contracts with the entity under section 3314.03 of the Revised Code.

(2) The department of education shall determine, pursuant to criteria adopted by rule of the department, whether the mission proposed to be specified in the contract of a community school to be sponsored by a state university board of trustees or the board's designee under division (C)(1)(e) of section 3314.02 of the Revised Code complies with the requirements of that division. Such determination of the department is final.

(3) The department of education shall determine, pursuant to criteria adopted by rule of the department, if any tax-exempt entity under section 501(c)(3) of the Internal Revenue Code that is proposed to be a sponsor of a community school is an education-oriented entity for purpose of satisfying the condition prescribed in division (C)(1)(f)(iii) of section 3314.02 of the Revised Code. Such determination of the department is final.

(C) If at any time the state board of education finds that a sponsor is not in compliance or is no longer willing to comply with its contract with any community school or with the department's rules for sponsorship, the state board or designee shall conduct a hearing in accordance with Chapter 119. of the Revised Code on that matter. If after the hearing, the state board or designee has confirmed the original finding, the department of education may revoke the sponsor's approval to sponsor community schools and may assume the sponsorship of any schools with which the sponsor has contracted until the earlier of the expiration of two school years or until a new sponsor as described in division (C)(1) of section 3314.02 of the Revised Code is secured by the school's governing authority. The department may extend the term of the contract in the case of a school for which it has assumed sponsorship under this division as necessary to accommodate the term of the department's authorization to sponsor the school specified in this division.

(D) The decision of the department to disapprove an entity for sponsorship of a community school or to revoke approval for such sponsorship ~~;~~ ~~as provided in~~ under division (C) of this section, may be appealed by the entity in accordance with section 119.12 of the Revised Code.

(E) The department shall adopt procedures for use by a community school governing authority and sponsor when the school permanently closes and ceases operation, which shall include at least procedures for data reporting to the

department, handling of student records, distribution of assets in accordance with section 3314.074 of the Revised Code, and other matters related to ceasing operation of the school.

(F) In carrying out its duties under this chapter, the department shall not impose requirements on community schools or their sponsors that are not permitted by law or duly adopted rules."

Between lines 38342 and 38343, insert:

"**Sec. 3314.021.** (A) This section applies to any entity that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code and that satisfies the conditions specified in divisions (C)(1)(f)(ii) and (iii) of section 3314.02 of the Revised Code but does not satisfy the condition specified in division (C)(1)(f)(i) of that section.

(B) Notwithstanding division (C)(1)(f)(i) of section 3314.02 of the Revised Code, an entity described in division (A) of this section may do both of the following without obtaining the department of education's initial approval of its sponsorship under ~~division~~ divisions (A)(2) and (B)(1) of section 3314.015 of the Revised Code:

(1) Succeed the board of trustees of a state university located in the pilot project area or that board's designee as the sponsor of a community school established under this chapter;

(2) Continue to sponsor that school in conformance with the terms of the contract between the board of trustees or its designee and the governing authority of the community school and renew that contract as provided in division (E) of section 3314.03 of the Revised Code.

(C) The entity that succeeds the board of trustees or the board's designee as sponsor of a community school under division (B) of this section also may enter into contracts to sponsor other community schools located in any challenged school district, without obtaining the department's initial approval of its sponsorship of those schools under ~~division~~ divisions (A)(2) and (B)(1) of section 3314.015 of the Revised Code, and not subject to the restriction of division (A)(7) of section 3314.013 of the Revised Code, as long as the contracts conform with and the entity complies with all other requirements of this chapter.

(D) Regardless of the entity's authority to sponsor community schools without the initial approval of the department, the entity is under the continuing oversight of the department in accordance with rules adopted under section 3314.015 of the Revised Code.

Sec. 6 3314.027. ~~The State Board of Education shall continue to sponsor any community school for which it has entered into a contract at the time of the effective date of this section until the earlier of the expiration of two school years or until a new sponsor, as described in division (C)(1) of section 3314.02 of the Revised Code, as amended by this act, is secured by the school's governing authority. The State Board shall not thereafter sponsor any community~~

~~school except as provided in division (C) of section 3314.015 of the Revised Code. The State Board may extend the term of any existing contract with a community school governing authority only as necessary to accommodate the term of the Board's authorization to sponsor the school as specified in this section.~~

Notwithstanding the requirement for initial approval of sponsorship by the ~~Department~~ department of ~~Education~~ education prescribed in ~~division~~ divisions (A)(2) and (B)(1) of section 3314.015 of the Revised Code ~~, as enacted by this act,~~ and any geographical restriction or mission requirement prescribed in division (C)(1) of section 3314.02 of the Revised Code ~~, as amended by this act~~, an entity ~~other than the State Board of Education~~ that has entered into a contract to sponsor a community school on ~~the effective date of this section~~ April 8, 2003, may continue to sponsor the school in conformance with the terms of that contract as long as the entity complies with all other sponsorship provisions of ~~Chapter 3314. of the Revised Code as amended by this act~~ this chapter. Such an entity also may enter into new contracts to sponsor community schools after ~~the effective date of this section~~ April 8, 2003, and need not be approved by the ~~Department of Education~~ department for such sponsorship, as otherwise required under ~~division~~ divisions (A)(2) and (B)(1) of section 3314.015 of the Revised Code ~~, as enacted by this act~~, as long as the contracts conform to and the entity complies with all other provisions of ~~Chapter 3314. of the Revised Code as amended by this act~~ this chapter.

Regardless of the entity's authority to sponsor community schools without the initial approval of the department, each entity described in this section is under the continuing oversight of the department in accordance with rules adopted under section 3314.015 of the Revised Code."

In line 90846, after "3313.978," insert "3314.015,"; after "3314.02," insert "3314.021,"

Between lines 90923 and 90924, insert:

"That existing Section 6 of H.B. 364 of the 124th General Assembly is hereby repealed."

In line 69 of the title, after "3313.978," insert "3314.015,"; after "3314.02," insert "3314.021,"

In line 268, after the semicolon insert "to amend Section 6 of H.B. 364 of the 124th General Assembly and to amend Section 6 of H.B. 364 of the 124th General Assembly to codify the Section as section 3314.027 of the Revised Code;"

In line 344, after "3313.978," insert "3314.016,"

Between lines 38152 and 38153, insert:

"**Sec. 3314.016.** (A) After June 30, 2007, a new start-up school may be established under this chapter only if the school's governing authority enters into a contract with an operator that manages other schools in the United States that

perform at a level higher than academic watch. The governing authority of the community school may sign a contract with an operator only if the operator has fewer contracts with the governing authorities of new start-up schools established under this chapter after June 30, 2007, than the number of schools managed by the operator in the United States that perform at a level higher than academic watch, as determined by the department of education. However, the governing authority shall not contract with an operator that currently manages any community schools in Ohio for which the department issues annual report cards under section 3314.012 of the Revised Code, unless the latest report card issued for at least one of those schools designates a performance rating under section 3302.03 of the Revised Code of in need of continuous improvement or higher.

(B) Notwithstanding division (A) of this section, the governing authority of a start-up school sponsored by an entity described in divisions (C)(1)(b) to (f) of section 3314.02 of the Revised Code may establish one additional school serving the same grade levels and providing the same educational program as the current start-up school and may open that additional school in the 2007-2008 school year, if both of the following conditions are met:

(1) The governing authority entered into another contract with the same sponsor or a different sponsor described in divisions (C)(1)(b) to (f) of section 3314.02 of the Revised Code and filed a copy of that contract with the superintendent of public instruction prior to March 15, 2006.

(2) The governing authority's current school satisfies all of the following conditions:

(a) The school currently is rated as excellent or effective pursuant to section 3302.03 of the Revised Code.

(b) The school made adequate yearly progress, as defined in section 3302.01 of the Revised Code, for the previous school year.

(c) The school has been in operation for at least four school years.

(d) The school is not managed by an operator.

(C) Notwithstanding division (A) of this section, the governing authority of a start-up school sponsored by the big eight school district in which the school is located may establish one additional start-up school that is located in the same school district and that provides a general educational program to students in any or all of grades kindergarten through five to facilitate their transition to the current start-up school, and may open the additional start-up school in the 2009-2010 school year, if both of the following conditions are met:

(1) The governing authority enters into another contract with the same sponsor and files a copy of the contract with the superintendent of public instruction prior to March 15, 2009.

(2) The governing authority's current school satisfies all of the following conditions:

(a) The school provided instruction to students for eleven months in the previous school year.

(b) The school has been in operation for at least two school years.

(c) The school qualified to be rated in need of continuous improvement or higher pursuant to section 3302.03 of the Revised Code for its first school year of operation, even though the department of education did not issue a report card for the school for that school year."

In line 90846, after "3313.978," insert "3314.016,"

In line 69 of the title, after "3313.978," insert "3314.016,"

In line 39286, strike through "(2)" and insert " (3)"

In line 39288, after "2008" insert " , but before July 1, 2009"

In line 39314, after "(2)" insert " Except as provided in division (A)(3) of this section, this section applies to any community school that meets one of the following criteria after July 1, 2009:

(a) The school does not offer a grade level higher than three and has been declared to be in a state of academic emergency under section 3302.03 of the Revised Code for three of the four most recent school years.

(b) The school satisfies all of the following conditions:

(i) The school offers any of grade levels four to eight but does not offer a grade level higher than nine.

(ii) The school has been declared to be in a state of academic emergency under section 3302.03 of the Revised Code for two of the three most recent school years.

(iii) In at least two of the three most recent school years, the school showed less than one standard year of academic growth in either reading or mathematics, as determined by the department in accordance with rules adopted under division (A) of section 3302.021 of the Revised Code.

(c) The school offers any of grade levels ten to twelve and has been declared to be in a state of academic emergency under section 3302.03 of the Revised Code for three of the four most recent school years.

(3)"

In line 341, delete "3301.56,"

Delete lines 34152 through 34257

In line 90843, delete "3301.56,"

In line 65 of the title, delete "3301.56,"

In line 345, delete "3317.022, 3317.03,"

In line 395, delete "4776.01,"

In line 438, delete "3310.51, 3310.52, 3310.521,"

Delete line 439

In line 440, delete "3310.60, 3310.61, 3310.62, 3310.63, 3310.64,"

In line 442, delete "3323.052,"

In line 2007, delete " division (C) of section 3310.58, or section"

In line 2016, delete " the chief administrator of a"

Delete line 2017

In line 2018, delete " school;"

In line 2055, delete " or a registered private"

In line 2056, delete " provider"

In line 2057, delete " division"

In line 2058, delete " (C) of section 3310.58 or"

In line 2063, delete " or provider"

In line 2067, delete " or provider"

In line 2159, reinsert ", "sexually"; delete the underlined colon

In line 2160, delete " (1) "Sexually"

Delete lines 2163 through 2167

In line 2700, after "(E)" delete the balance of the line

Delete lines 2701 through 2706

In line 2707, delete " (F)"

Delete lines 2720 through 2724

In line 33669, delete " 3310.63,"

Delete lines 35840 through 36224

Delete lines 39926 through 40919

Delete lines 43372 through 43394

Delete lines 71767 through 71806

In line 82907, delete " section"

In line 82908, delete " 3310.55;"

In line 90847, delete "3317.022, 3317.03,"

In line 90897, delete "4776.01,"

Delete lines 96039 through 96055

In line 106540, delete "3317.022, 3317.03,"

In line 71 of the title, delete "3317.022, 3317.03,"

In line 140 of the title, delete "4776.01,"

In line 198 of the title, delete "3310.51,"

In line 199 of the title, delete "3310.52, 3310.521, 3310.53 to 3310.64,"

In line 201 of the title, delete "3323.052,"

In line 35296, reinsert "divisions"; delete " division"

In line 35297, reinsert "and (7)"

In line 35299, reinsert "fulfills one of the following requirements:"

Reinsert lines 35300 through 35304

In line 35305, reinsert "more than two consecutive years and either"

In line 35308, delete " , except that if it does not make adequate yearly"

Delete line 35309

In line 35310, delete all before the period

In line 35312, reinsert "fulfills one of the following requirements:"

In line 35313, reinsert "(a) It makes adequate yearly progress and either"

In line 35316, reinsert the stricken period

Reinsert lines 35317 through 35319

In line 35320, reinsert "established by the department"

In line 35321, delete " two or more of the same subgroups for"

In line 35322, delete " or more"

In line 35327, delete " at least"

In line 35328, delete " thirty-one per cent but"

In line 35336, delete " fulfills one of the following"

In line 35337, delete " requirements:"

Delete lines 35338 through 35341

In line 35342, delete " (b) It"

In line 35351, reinsert "When designating performance ratings for school districts"

Reinsert lines 35352 through 35355

In line 35356, reinsert "(7)" in both places; delete " (6)"

In line 436, delete "3301.163,"

In line 437, delete "3301.164,"

Delete lines 33986 through 34071

In line 106538, delete "3301.163, 3301.164,"

In line 196 of the title, delete "3301.163, 3301.164,"

In line 343, after "3313.603," insert "3313.605,"

Between lines 37085 and 37086, insert:

"**Sec. 3313.605.** (A) As used in this section:

(1) "Civic responsibility" means the patriotic and ethical duties of all citizens to take an active role in society and to consider the interests and concerns of other individuals in the community.

(2) "Volunteerism" means nonprofit activity in the United States, the benefits and limitations of nonprofit activities, and the presence and function of nonprofit civic and charitable organizations in the United States.

(3) "Community service" means a service performed through educational institutions, government agencies, nonprofit organizations, social service agencies, and philanthropies and generally designed to provide direct experience with people or project planning, with the goal of improving the quality of life for the community. Such activities may include but are not limited to tutoring, literacy training, neighborhood improvement, encouraging interracial and multicultural understanding, promoting ideals of patriotism, increasing environmental safety, assisting the elderly or disabled, and providing mental health care, housing, drug abuse prevention programs, and other philanthropic programs, particularly for disadvantaged or low-income persons.

(B) ~~Any~~ The board of education of each city, local, exempted village, ~~or~~ and joint vocational school district ~~board of education may~~ , the governing authority of each community school established under Chapter 3314. of the Revised Code, and the governing body of each STEM school established under Chapter 3326. of the Revised Code may include community service education in ~~the~~ its educational program ~~of the district by adopting a resolution to that effect~~. A governing board of an educational service center, upon the request of a local school district board of education, may provide a community service education program for the local district pursuant to this section. ~~Any board implementing~~ If a board, governing authority, or governing body includes community service education in its education program, the board, governing authority, or governing body shall do both of the following:

(1) Establish a community service advisory committee. The committee shall provide recommendations to the board , governing authority, or governing body regarding a community service plan for students ~~in all grades of the schools~~

~~under control of the board~~ and shall oversee and assist in the implementation of the plan adopted by the board , governing authority, or governing body under division (B)(2) of this section. Each board , governing authority, or governing body shall determine the membership and organization of its advisory committee and may designate an existing committee established for another purpose to serve as the community service advisory committee; however, each such committee shall include two or more students and shall include or consult with at least one person employed in the field of volunteer management who devotes at least fifty per cent of employment hours to coordinating volunteerism among community organizations. The committee members may include representatives of parents, teachers, administrators, other educational institutions, business, government, nonprofit organizations, veterans organizations, social service agencies, religious organizations, and philanthropies.

(2) Develop and implement a community service plan ~~for students in all grades of the schools under control of the board~~. To assist in establishing its plan, the board , governing authority, or governing body shall consult with and may contract with one or more local or regional organizations with experience in volunteer program development and management. Each community service plan adopted under this division shall be based upon the recommendations of the advisory committee and shall provide for all of the following:

(a) Education of students in the value of community service and its contributions to the history of this state and this nation;

(b) Identification of opportunities for students to provide community service;

(c) Encouragement of students to provide community service;

(d) Integration of community service opportunities into the curriculum;

(e) A community service instructional program for teachers, including strategies for the teaching of community service education, for the discovery of community service opportunities, and for the motivation of students to become involved in community service.

Plans shall be reviewed periodically by the advisory committee and, if necessary, revised by the board , governing authority, or governing body at least once every five years.

~~Plans shall emphasize community service opportunities that can most effectively use the skills of students, such as tutoring or literacy programs.~~ Plans shall provide for students to perform services under the plan that will not supplant the hiring of, result in the displacement of, or impair any existing employment contract of any particular employee of any private or governmental entity for which the services are performed. The plan shall provide for any entity utilizing a student to perform community service under the plan to verify to the board that the student does not supplant the hiring of, displace, or impair the employment contract of any particular employee of the entity.

Upon adoption, a board , governing authority, or governing body shall submit a copy of its plan to the department of education. Each city and exempted village board of education and each governing board of a service center shall include a copy of its plan in any course of study adopted under section 3313.60 of the Revised Code that is required to be submitted for approval to the state board for review. A joint vocational school district board of education shall submit a copy of its plan to the state board for review when required to do so by the state board. A local board shall forward its plan to the educational service center governing board for inclusion in the governing board's course of study. ~~By December 1, 1992, and periodically thereafter, the~~ The department ~~of education~~ periodically shall review all plans and publish those plans that could serve as models for other school districts ~~or~~ , educational service centers , community schools, or STEM schools.

(C) ~~A~~ Under this section, a board ~~integrating community service education into the curriculum~~ , governing authority, or governing body may only grant high school credit for a community service education course if approximately half of the course is devoted to classroom study of such matters as civic responsibility, the history of volunteerism, and community service training and approximately half of the course is devoted to community service.

Each board , governing authority, or governing body shall determine which specific activities will serve to fulfill the required hours of community service.

(D) The superintendent of public instruction shall develop guidelines for the development and implementation of a rubric to evaluate and rate community service education projects for use by districts, governing authorities, and governing boards that adopt a community service education plan.

(E) The state superintendent shall adopt rules for granting a student special certification, special recognition on a diploma, or special notification in the student's record upon the student's successful completion of an approved community service project.

The district board, governing authority, or governing body shall use a rubric developed in accordance with division (D) of this section to determine whether a community service project warrants recognition on a student's diploma under this division."

In line 90845, after "3313.603," insert "3313.605,"

In line 68 of the title, after "3313.603," insert "3313.605,"

In line 347, after "3319.22," insert "3319.221,"

Between lines 42121 and 42122, insert:

"**Sec. 3319.221.** (A) The state board of education shall adopt rules establishing the standards and requirements for obtaining a school nurse license and a school nurse wellness coordinator license. At a minimum, the rules shall

require that an applicant for a school nurse license be licensed as a registered nurse under Chapter 4723. of the Revised Code.

(B) If the state board requires any examinations for licensure under this section, the department of education shall provide the examination results received by the department to the chancellor of the Ohio board of regents, in the manner and to the extent permitted by state and federal law.

(C) Any rules for licenses described in this section that the state board adopts, amends, or rescinds under this section, division (D) of section 3301.07 of the Revised Code, or any other law shall be adopted, amended, or rescinded under Chapter 119. of the Revised Code, except that the authority to adopt, amend, or rescind emergency rules under division (F) of section 119.03 of the Revised Code shall not apply to the state board with respect to rules for licenses described in this section.

(D) Any registered nurse employed by a school district in the capacity of school nurse on January 1, 1973, or any registered nurse employed by a city or general health district on January 1, 1973 , to serve full-time in the capacity of school nurse in one or more school districts, shall be considered to have fulfilled the requirements for the issuance of a school nurse license under this section ~~3319.22 of the Revised Code~~."

In line 42126, delete " and"

In line 42127, after " permits" insert " , and school nurse licenses"

In line 42160, after " (D)" insert " Any school nurse license issued under former section 3319.22 of the Revised Code, as it existed prior to the effective date of this section, or under division (A) of this section shall be valid until the license expires for employment as a school nurse, except as the license is limited, suspended, or revoked under section 3319.31 of the Revised Code.

(E)"

In line 42162, after " Code" insert " , a school nurse license or a school nurse wellness coordinator license issued under section 3319.221 of the Revised Code,"

In line 42166, delete " (E)" and insert " (F)"

In line 90849, after "3319.22," insert "3319.221,"

In line 106541, after "3318.011," insert "3319.221,"

In line 74 of the title, after "3319.22," insert "3319.221,"

In line 442, after "3319.612," insert "3319.70, 3319.71,"

Between lines 43147 and 43148, insert:

" **Sec. 3319.70.** (A) The school health services advisory council is hereby established. The council shall consist of the following members:

(1) A registered nurse licensed under Chapter 4723. of the Revised Code

who also is licensed as a school nurse pursuant to section 3319.221 or former section 3319.22 of the Revised Code and is a member of the Ohio association of school nurses, appointed by the governor;

(2) A representative of the board of nursing, appointed by the governor;

(3) A representative of the department of health who has expertise in school and adolescent health services, appointed by the director of health;

(4) A representative of the department of education, appointed by the superintendent of public instruction;

(5) A representative of the chancellor of the Ohio board of regents, appointed by the chancellor;

(6) A representative of a nurse education program, appointed by the chancellor;

(7) A representative of the department of development who has expertise in workforce development, appointed by the director of development;

(8) A representative of the department of job and family services who has expertise in child and adolescent care, appointed by the director of job and family services;

(9) A representative of the public, appointed by the governor.

(B) Initial appointments to the council shall be made within thirty days after the effective date of this section. Members of the council shall serve at the pleasure of their appointing authorities. Vacancies shall be filled in the same manner as the original appointment. Members shall receive no compensation for their services, except to the extent that service on the council is part of their regular employment duties.

(C) The representative of the department of education shall call the first meeting of the council. At that meeting, the members shall select a chairperson and vice-chairperson. Subsequent meetings of the council shall be held at the call of the chairperson.

Sec. 3319.71. (A) The school health services advisory council shall make recommendations on the following topics:

(1) The content of the course of instruction required to obtain a school nurse license under section 3319.221 of the Revised Code;

(2) The content of the course of instruction required to obtain a school nurse wellness coordinator license under section 3319.221 of the Revised Code;

(3) Best practices for the use of school nurses and school nurse wellness coordinators in providing health and wellness programs for students and employees of school districts, community schools established under Chapter 3314. of the Revised Code, and STEM schools established under Chapter 3326. of the Revised Code.

(B) The council shall issue its initial recommendations not later than March 31, 2010, and may issue subsequent recommendations as it considers necessary. Copies of all recommendations shall be provided to the state board of education, the chancellor of the Ohio board of regents, the board of nursing, and the health care coverage and quality council."

In line 106541, after "3318.011," insert "3319.70, 3319.71,"

In line 201 of the title, after "3319.612," insert "3319.70, 3319.71,"

In line 345, after "3315.37," insert "3317.01,"

Between lines 39388 and 39389, insert:

"**Sec. 3317.01.** As used in this section and section 3317.011 of the Revised Code, "school district," unless otherwise specified, means any city, local, exempted village, joint vocational, or cooperative education school district and any educational service center.

This chapter shall be administered by the state board of education. The superintendent of public instruction shall calculate the amounts payable to each school district and shall certify the amounts payable to each eligible district to the treasurer of the district as provided by this chapter. As soon as possible after such amounts are calculated, the superintendent shall certify to the treasurer of each school district the district's adjusted charge-off increase, as defined in section 5705.211 of the Revised Code. No moneys shall be distributed pursuant to this chapter without the approval of the controlling board.

The state board of education shall, in accordance with appropriations made by the general assembly, meet the financial obligations of this chapter.

Annually, the department of education shall calculate and report to each school district the district's total state and local funds for providing an adequate basic education to the district's nondisabled students, utilizing the determination in section 3317.012 of the Revised Code. In addition, the department shall calculate and report separately for each school district the district's total state and local funds for providing an adequate education for its students with disabilities, utilizing the determinations in both sections 3317.012 and 3317.013 of the Revised Code.

Not later than the thirty-first day of August of each fiscal year, the department of education shall provide to each school district and county MR/DD board a preliminary estimate of the amount of funding that the department calculates the district will receive under each of divisions (C)(1) and (4) of section 3317.022 of the Revised Code. No later than the first day of December of each fiscal year, the department shall update that preliminary estimate.

Moneys distributed pursuant to this chapter shall be calculated and paid on a fiscal year basis, beginning with the first day of July and extending through the thirtieth day of June. The moneys appropriated for each fiscal year shall be distributed at least monthly to each school district unless otherwise provided for.

The state board shall submit a yearly distribution plan to the controlling board at its first meeting in July. The state board shall submit any proposed midyear revision of the plan to the controlling board in January. Any year-end revision of the plan shall be submitted to the controlling board in June. If moneys appropriated for each fiscal year are distributed other than monthly, such distribution shall be on the same basis for each school district.

The total amounts paid each month shall constitute, as nearly as possible, one-twelfth of the total amount payable for the entire year.

Until fiscal year 2007, payments made during the first six months of the fiscal year may be based on an estimate of the amounts payable for the entire year. Payments made in the last six months shall be based on the final calculation of the amounts payable to each school district for that fiscal year. Payments made in the last six months may be adjusted, if necessary, to correct the amounts distributed in the first six months, and to reflect enrollment increases when such are at least three per cent.

Beginning in fiscal year 2007, payments shall be calculated to reflect the biannual reporting of average daily membership. In fiscal year 2007 and in each fiscal year thereafter, annualized periodic payments for each school district shall be based on the district's final student counts verified by the superintendent of public instruction based on reports under section 3317.03 of the Revised Code, as adjusted, if so ordered, under division (K) of that section, as follows:

the sum of one-half of the number of students verified
and adjusted for the first full week in October
plus one-half of the average of the numbers
verified and adjusted for the first full week
in October and for the first full week in February

Except as otherwise provided, payments under this chapter shall be made only to those school districts in which:

(A) The school district, except for any educational service center and any joint vocational or cooperative education school district, levies for current operating expenses at least twenty mills. Levies for joint vocational or cooperative education school districts or county school financing districts, limited to or to the extent apportioned to current expenses, shall be included in this qualification requirement. School district income tax levies under Chapter 5748. of the Revised Code, limited to or to the extent apportioned to current operating expenses, shall be included in this qualification requirement to the extent determined by the tax commissioner under division (D) of section 3317.021 of the Revised Code.

(B) The school year next preceding the fiscal year for which such payments are authorized meets the requirement of section 3313.48 or 3313.481 of the Revised Code, with regard to the minimum number of days or hours school must be open for instruction with pupils in attendance, for individualized parent-teacher conference and reporting periods, and for professional meetings

of teachers. This requirement shall be waived by the superintendent of public instruction if it had been necessary for a school to be closed because of disease epidemic, hazardous weather conditions, inoperability of school buses or other equipment necessary to the school's operation, damage to a school building, or other temporary circumstances due to utility failure rendering the school building unfit for school use, provided that for those school districts operating pursuant to section 3313.48 of the Revised Code the number of days the school was actually open for instruction with pupils in attendance and for individualized parent-teacher conference and reporting periods is not less than one hundred seventy-five, or for those school districts operating on a trimester plan the number of days the school was actually open for instruction with pupils in attendance not less than seventy-nine days in any trimester, for those school districts operating on a quarterly plan the number of days the school was actually open for instruction with pupils in attendance not less than fifty-nine days in any quarter, or for those school districts operating on a pentamester plan the number of days the school was actually open for instruction with pupils in attendance not less than forty-four days in any pentamester. However, for fiscal year 2012, the superintendent shall waive two fewer such days for the 2010-2011 school year.

A school district shall not be considered to have failed to comply with this division or section 3313.481 of the Revised Code because schools were open for instruction but either twelfth grade students were excused from attendance for up to three days or only a portion of the kindergarten students were in attendance for up to three days in order to allow for the gradual orientation to school of such students.

The superintendent of public instruction shall waive the requirements of this section with reference to the minimum number of days or hours school must be in session with pupils in attendance for the school year succeeding the school year in which a board of education initiates a plan of operation pursuant to section 3313.481 of the Revised Code. The minimum requirements of this section shall again be applicable to such a district beginning with the school year commencing the second July succeeding the initiation of one such plan, and for each school year thereafter.

A school district shall not be considered to have failed to comply with this division or section 3313.48 or 3313.481 of the Revised Code because schools were open for instruction but the length of the regularly scheduled school day, for any number of days during the school year, was reduced by not more than two hours due to hazardous weather conditions.

(C) The school district has on file, and is paying in accordance with, a teachers' salary schedule which complies with section 3317.13 of the Revised Code.

A board of education or governing board of an educational service center which has not conformed with other law and the rules pursuant thereto, shall not participate in the distribution of funds authorized by sections 3317.022 to 3317.0211, 3317.11, 3317.16, 3317.17, and 3317.19 of the Revised Code, except

for good and sufficient reason established to the satisfaction of the state board of education and the state controlling board.

All funds allocated to school districts under this chapter, except those specifically allocated for other purposes, shall be used to pay current operating expenses only."

In line 90847, after "3315.37," insert "3317.01,"

Between lines 95906 and 95907, insert:

"**Section ___.** RECOMMENDATIONS FOR MINIMUM SCHOOL YEAR

Not later than December 31, 2010, the Superintendent of Public Instruction shall submit to the General Assembly, in accordance with section 101.68 of the Revised Code, a report of the Superintendent's findings and recommendations on extending the school year."

In line 70 of the title, after "3315.37," insert "3317.01,"

In line 346, after "3318.011," insert "3318.061,"; after "3318.37," insert "3318.38,"

Between lines 41138 and 41139, insert:

"**Sec. 3318.061.** This section applies only to school districts eligible to receive additional assistance under division (B)(2) of section 3318.04 of the Revised Code ~~and to big eight districts segmenting projects under section 3318.38 of the Revised Code~~.

The board of education of a school district in which a tax described by division (B) of section 3318.05 and levied under section 3318.06 of the Revised Code is in effect, may adopt a resolution by vote of a majority of its members to extend the term of that tax beyond the expiration of that tax as originally approved under that section. The school district board may include in the resolution a proposal to extend the term of that tax at the rate of not less than one-half mill for each dollar of valuation for a period of twenty-three years from the year in which the school district board and the Ohio school facilities commission enter into an agreement under division (B)(2) of section 3318.04 of the Revised Code or in the following year, as specified in the resolution ~~or, as applicable in the case of a district segmenting a project under section 3318.38 of the Revised Code, from the year in which the last segment is undertaken~~. Such a resolution may be adopted at any time before such an agreement is entered into and before the tax levied pursuant to section 3318.06 of the Revised Code expires. If the resolution is combined with a resolution to issue bonds to pay the school district's portion of the basic project cost, it shall conform with the requirements of divisions (A)(1), (2), and (3) of section 3318.06 of the Revised Code, except that the resolution also shall state that the tax levy proposed in the resolution is an extension of an existing tax levied under that section. A resolution proposing an extension adopted under this section does not take effect

until it is approved by a majority of electors voting in favor of the resolution at a general, primary, or special election as provided in this section.

A tax levy extended under this section is subject to the same terms and limitations to which the original tax levied under section 3318.06 of the Revised Code is subject under that section, except the term of the extension shall be as specified in this section.

The school district board shall certify a copy of the resolution adopted under this section to the proper county board of elections not later than seventy-five days before the date set in the resolution as the date of the election at which the question will be submitted to electors. The notice of the election shall conform with the requirements of division (A)(3) of section 3318.06 of the Revised Code, except that the notice also shall state that the maintenance tax levy is an extension of an existing tax levy.

The form of the ballot shall be as follows:

"Shall the existing tax levied to pay the cost of maintaining classroom facilities constructed with the proceeds of the previously issued bonds at the rate of ..... (here insert the number of mills, which shall not be less than one-half mill) mills per dollar of tax valuation, be extended until ..... (here insert the year that is twenty-three years after the year in which the district and commission will enter into an agreement under division (B)(2) of section 3318.04 of the Revised Code or the following year)?

	FOR EXTENDING THE EXISTING TAX LEVY
	AGAINST EXTENDING THE EXISTING TAX LEVY

"

Section 3318.07 of the Revised Code applies to ballot questions under this section."

Between lines 41227 and 41228, insert:

"**Sec. 3318.38.** (A) As used in this section, "big-eight school district" has the same meaning as in section 3314.02 of the Revised Code.

(B) There is hereby established the accelerated urban school building assistance program. Under the program, notwithstanding section 3318.02 of the Revised Code, any big-eight school district that has not been approved to receive assistance under sections 3318.01 to 3318.20 of the Revised Code by July 1, 2002, may beginning on that date apply for approval of and be approved for such assistance. Except as otherwise provided in this section, any project approved and undertaken pursuant to this section shall comply with all provisions of sections 3318.01 to 3318.20 of the Revised Code.

The Ohio school facilities commission shall provide assistance to any big-eight school district eligible for assistance under this section in the following manner:

(1) Notwithstanding section 3318.02 of the Revised Code:

(a) Not later than June 30, 2002, the commission shall conduct an on-site visit and shall assess the classroom facilities needs of each big-eight school district eligible for assistance under this section;

(b) Beginning July 1, 2002, any big-eight school district eligible for assistance under this section may apply to the commission for conditional approval of its project as determined by the assessment conducted under division (B)(1)(a) of this section. The commission may conditionally approve that project and submit it to the controlling board for approval pursuant to section 3318.04 of the Revised Code.

(2) If the controlling board approves the project of a big-eight school district eligible for assistance under this section, the commission and the school district shall enter into an agreement as prescribed in section 3318.08 of the Revised Code. Any agreement executed pursuant to this division shall include any applicable segmentation provisions as approved by the commission under division (B)(3) of this section.

(3) Notwithstanding any provision to the contrary in sections 3318.05, 3318.06, and 3318.08 of the Revised Code, a big-eight school district eligible for assistance under this section may with the approval of the commission opt to divide the project as approved under division (B)(1)(b) of this section into discrete segments to be completed sequentially. Any project divided into segments shall comply with all other provisions of sections 3318.05, 3318.06, and 3318.08 of the Revised Code except as otherwise specified in this division.

If a project is divided into segments under this division:

(a) The school district need raise only the amount equal to its proportionate share, as determined under section 3318.032 of the Revised Code, of each segment at any one time and may seek voter approval of each segment separately;

(b) The state's proportionate share, as determined under section 3318.032 of the Revised Code, of only the segment which has been approved by the school district electors or for which the district has applied a local donated contribution under section 3318.084 of the Revised Code shall be encumbered in accordance with section 3318.11 of the Revised Code. Encumbrance of additional amounts to cover the state's proportionate share of later segments shall be approved separately as they are approved by the school district electors or as the district applies a local donated contribution to the segments under section 3318.084 of the Revised Code.

(c) ~~If it is necessary to levy the additional tax for maintenance under division (B) of section 3318.05 of the Revised Code with respect to any segment of the project, the district may utilize the provisions of section 3318.061 of the Revised Code to ensure that the maintenance tax extends for twenty-three years after the last segment of the project is undertaken~~ The school district's

maintenance levy requirement, as defined in section 3318.18 of the Revised Code, shall run for twenty-three years from the date the first segment is undertaken.

(4) For any project under this section, the state funds reserved and encumbered and the funds provided by the school district to pay the basic project cost of any segment of the project, or of the entire project if it is not divided into segments, shall be spent on the construction and acquisition of the project simultaneously in proportion to the state's and the school district's respective shares of that basic project cost as determined under section 3318.032 of the Revised Code."

In line 90848, after "3318.011," insert "3318.061,"; after "3318.37," insert "3318.38,"

Between lines 101716 and 101717, insert:

"**Section 385.30.** AMENDMENT TO PROJECT AGREEMENT FOR MAINTENANCE LEVY

The Ohio School Facilities Commission shall amend the project agreement between the Commission and a school district that is participating in the Accelerated Urban School Building Assistance Program on the effective date of this section, if the Commission determines that it is necessary to do so in order to comply with division (B)(3)(c) of section 3318.38 of the Revised Code, as amended by this act."

In line 72 of the title, after "3318.011," insert "3318.061,"; after "3318.37," insert "3318.38,"

In line 441, after "3314.44," insert "3318.312,"

Between lines 41138 and 41139, insert:

" **Sec. 3318.312.** At the request of the superintendent of public instruction, the executive director of the Ohio school facilities commission shall advise the superintendent of demands upon and other issues related to existing classroom facilities that may arise due to new operating requirements specified in the rules adopted under section 3306.25 of the Revised Code establishing expenditure and reporting standards for operating funds paid under Chapter 3306. of the Revised Code."

In line 200 of the title, after "3314.44," insert "3318.312,"

In line 341, after "3302.03," insert "3302.031,"; after "3304.231," insert "3307.31, 3307.64, 3309.41, 3309.48, 3309.51,"

In line 342, after "3310.03," insert "3310.08, 3310.09,"; after "3310.14," insert "3310.41,"; after "3311.059," insert "3311.06, 3311.19, 3311.21, 3311.29, 3311.52, 3311.76,"; after "3313.46," insert "3313.483,"; after "3313.53," insert "3313.55,"

In line 343, after "3313.642," insert "3313.6410,"

In line 344, after "3313.978," insert "3313.98, 3313.981,"; after "3314.085," insert "3314.087, 3314.091, 3314.10, 3314.13,"

In line 345, after "3315.37," insert "3316.041, 3316.06, 3316.20, 3317.01, 3317.011,"; after "3317.022," insert "3317.023, 3317.024, 3317.025, 3317.0210, 3317.0211, 3317.0216,"; after "3317.03," insert "3317.031, 3317.04, 3317.061,"

In line 346, after "3317.08," insert "3317.081, 3317.082, 3317.12, 3317.16, 3317.18, 3317.20, 3317.201,"; after "3318.011," insert "3318.051,"; after "3319.08," insert "3319.088,"

In line 349, after "3319.56," insert "3319.57,"

In line 350, after "3323.05," insert "3323.091, 3323.14, 3323.142, 3324.05,"; after "3326.11," insert "3326.33,"; after "3326.36," insert "3327.02, 3327.04, 3327.05,"; after "3327.10," insert "3329.16,"

In line 354, after "3345.66," insert "3349.242,"; after "3354.26," insert "3365.01,"

In line 407, after "5126.044," insert "5126.05,"

In line 408, after "5126.19," insert "5126.24,"

In line 411, after "5715.251," insert "5715.26,"

In line 438, after "3304.182," insert "3306.01, 3306.011, 3306.012, 3306.02, 3306.03, 3306.04, 3306.05, 3306.051, 3306.052, 3306.06, 3306.07, 3306.08, 3306.09, 3306.091, 3306.10, 3306.11, 3306.12, 3306.13, 3306.18, 3306.19, 3306.191, 3306.192, 3306.21, 3306.22, 3306.25, 3306.30, 3306.31, 3306.33, 3306.34, 3306.35, 3306.40,"

In line 441, after "3314.028," insert "3314.088,"; after "3314.44," insert "3317.018,"

In line 442, after "3323.052," insert "3326.39,"

In line 18768, strike through "Chapter" and insert " Chapters 3306. and"

Between lines 35502 and 35503, insert:

"**Sec. 3302.031.** In addition to the report cards required under section 3302.03 of the Revised Code, the department of education shall annually prepare the following reports for each school district and make a copy of each report available to the superintendent of each district:

(A) A funding and expenditure accountability report which shall consist of the amount of state aid payments the school district will receive during the fiscal year under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code and any other fiscal data the department determines is necessary to inform the public about the financial status of the district;

(B) A school safety and discipline report which shall consist of statistical

information regarding student safety and discipline in each school building, including the number of suspensions and expulsions disaggregated according to race and gender;

(C) A student equity report which shall consist of at least a description of the status of teacher qualifications, library and media resources, textbooks, classroom materials and supplies, and technology resources for each district. To the extent possible, the information included in the report required under this division shall be disaggregated according to grade level, race, gender, disability, and scores attained on tests required under section 3301.0710 of the Revised Code.

(D) A school enrollment report which shall consist of information about the composition of classes within each district by grade and subject disaggregated according to race, gender, and scores attained on tests required under section 3301.0710 of the Revised Code;

(E) A student retention report which shall consist of the number of students retained in their respective grade levels in the district disaggregated by grade level, subject area, race, gender, and disability;

(F) A school district performance report which shall describe for the district and each building within the district the extent to which the district or building meets each of the applicable performance indicators established under section 3302.02 of the Revised Code, the number of performance indicators that have been achieved, and the performance index score. In calculating the rates of achievement on the performance indicators and the performance index scores for each report, the department shall exclude all students with disabilities."

Between lines 35657 and 35658, insert:

" **Sec. 3306.01.** This chapter shall be administered by the state board of education. The superintendent of public instruction shall calculate the amounts payable to each school district and shall certify the amounts payable to each eligible district to the treasurer of the district as determined under this chapter. As soon as possible after such amounts are calculated, the superintendent shall certify to the treasurer of each school district the district's adjusted charge-off increase, as defined in section 5705.211 of the Revised Code. No moneys shall be distributed pursuant to this chapter without the approval of the controlling board.

The state board of education shall, in accordance with appropriations made by the general assembly, meet the financial obligations of this chapter.

Annually, the department of education shall calculate and report to each school district the district's adequacy amount utilizing the calculations in sections 3306.03 and 3306.13 of the Revised Code. The department shall calculate and report separately for each school district the district's total state and local funds for its students with disabilities, utilizing the calculations in sections 3306.05, 3306.11, and 3306.13 of the Revised Code. The department shall

calculate and report separately for each school district the amount of funding calculated for each factor of the district's adequacy amount.

Not later than the thirty-first day of August of each fiscal year, the department of education shall provide to each school district a preliminary estimate of the amount of funding that the department calculates the district will receive under section 3306.13 of the Revised Code. Not later than the first day of December of each fiscal year, the department shall update that preliminary estimate.

Moneys distributed pursuant to this chapter shall be calculated and paid on a fiscal year basis, beginning with the first day of July and extending through the thirtieth day of June. Unless otherwise provided, the moneys appropriated for each fiscal year shall be distributed at least monthly to each school district. The state board shall submit a yearly distribution plan to the controlling board at its first meeting in July. The state board shall submit any proposed midyear revision of the plan to the controlling board in January. Any year-end revision of the plan shall be submitted to the controlling board in June. If moneys appropriated for each fiscal year are distributed other than monthly, such distribution shall be on the same basis for each school district.

The total amounts paid each month shall constitute, as nearly as possible, one-twelfth of the total amount payable for the entire year.

Payments shall be calculated to reflect the reporting of formula ADM. Annualized periodic payments for each school district shall be based on the district's final student counts verified by the superintendent of public instruction based on reports under section 3317.03 of the Revised Code, as adjusted, if so ordered, under division (K) of that section.

(A) Except as otherwise provided, payments under this chapter shall be made only to those school districts that comply with divisions (A)(1) to (3) of this section.

(1) Each city, exempted village, and local school district shall levy for current operating expenses at least twenty mills. Levies for joint vocational or cooperative education school districts or county school financing districts, limited to or to the extent apportioned to current expenses, shall be included in this qualification requirement. School district income tax levies under Chapter 5748. of the Revised Code, limited to or to the extent apportioned to current operating expenses, shall be included in this qualification requirement to the extent determined by the tax commissioner under division (D) of section 3317.021 of the Revised Code.

(2) Each city, exempted village, local, and joint vocational school district, during the school year next preceding the fiscal year for which payments are calculated under this chapter, shall meet the requirement of section 3313.48 or 3313.481 of the Revised Code, with regard to the minimum number of days or hours school must be open for instruction with pupils in attendance, for individualized parent-teacher conference and reporting periods, and for

professional meetings of teachers. The superintendent of public instruction shall waive a number of days in accordance with section 3317.01 of the Revised Code on which it had been necessary for a school to be closed because of disease epidemic, hazardous weather conditions, inoperability of school buses or other equipment necessary to the school's operation, damage to a school building, or other temporary circumstances due to utility failure rendering the school building unfit for school use.

A school district shall not be considered to have failed to comply with this division or section 3313.481 of the Revised Code because schools were open for instruction but either twelfth grade students were excused from attendance for up to three days or only a portion of the kindergarten students were in attendance for up to three days in order to allow for the gradual orientation to school of such students.

The superintendent of public instruction shall waive the requirements of this section with reference to the minimum number of days or hours a school must be open for instruction with pupils in attendance for the school year succeeding the school year in which a board of education initiates a plan of operation pursuant to section 3313.481 of the Revised Code. The minimum requirements of this section shall again be applicable to the district beginning with the school year commencing the second July succeeding the initiation of the plan, and for each school year thereafter.

A school district shall not be considered to have failed to comply with this division or section 3313.48 or 3313.481 of the Revised Code because schools were open for instruction but the length of the regularly scheduled learning day, for any number of days during the school year, was reduced by not more than two hours due to hazardous weather conditions.

(3) Each city, exempted village, local, and joint vocational school district shall have on file, and shall pay in accordance with, a teachers' salary schedule which complies with section 3317.13 of the Revised Code.

(B) A school district board of education or educational service center governing board that has not conformed with other law, and the rules pursuant thereto, shall not participate in the distribution of funds authorized by this chapter, except for good and sufficient reason established to the satisfaction of the state board of education and the state controlling board.

(C) All funds allocated to school districts under this chapter, except those specifically allocated for other purposes, shall be used only to pay current operating expenses or for either of the following purposes:

(1) The modification or purchase of classroom space to provide all-day kindergarten as required by section 3321.05 of the Revised Code, provided the district certifies its shortage of space for providing all-day kindergarten to the department of education, in a manner specified by the department;

(2) The modification or purchase of classroom space to reduce class sizes

in grades kindergarten through three to attain the goal of fifteen students per core teacher, provided the district certifies its need for additional classroom space to the department, in a manner specified by the department.

(D) On or before the last day of each month, the department of education shall certify to the director of budget and management for payment, for each county:

(1)(a) That portion of the allocation of money under section 3306.13 of the Revised Code that is required to be paid in that month to each school district located wholly within the county subsequent to the deductions described in division (D)(1)(b) of this section;

(b) The amounts deducted from such allocation under sections 3307.31 and 3309.51 of the Revised Code for payment directly to the school employees and state teachers retirement systems under such sections.

(2) If the district is located in more than one county, an apportionment of the amounts that would otherwise be certified under division (D)(1) of this section. The amounts apportioned to the county shall equal the amounts certified under division (D)(1) of this section times the percentage of the district's resident pupils who reside both in the district and in the county, based on the average daily membership reported under division (A) of section 3317.03 of the Revised Code in October of the prior fiscal year.

Sec. 3306.011. Beginning with fiscal year 2010, the payments prescribed by this chapter supersede and replace the payments described under sections 3317.012, 3317.013, 3317.014, 3317.022, 3317.029, 3317.0216, 3317.0217, and 3317.16 of the Revised Code, except as otherwise provided in section 3317.018 of the Revised Code.

Sec. 3306.012. The form developed by the department of education to calculate funding to a school district formerly known as the form "SF-3," on and after the effective date of this section shall be known as the "PASS form." As used in this section and any section referring to the PASS form, "PASS" is an acronym for "PAthway to Student Success." The form shall be revised as necessary to reflect payments made under this chapter and Chapter 3317. of the Revised Code and shall be available to the public in a format understandable to the average citizen.

Sec. 3306.02. As used in this chapter:

(A) "Adequacy amount" means the amount described in section 3306.03 of the Revised Code.

(B) "Building manager" means a person who supervises the administrative (non-curricular, non-instructional) functions of school operation so that a school principal can focus on supporting instruction, providing instructional leadership, and engaging teachers as part of the instructional leadership team. A building manager may be, but is not required to be, a licensed educator under section 3319.22 of the Revised Code.

(C) "Career-technical education teacher" means an education professional who holds a valid license to provide specialized instruction in career and technical courses.

(D)(1) "Category one special education ADM" means a school district's formula ADM of children whose primary or only identified disability is a speech and language disability, as this term is defined pursuant to Chapter 3323. of the Revised Code. Beginning in fiscal year 2010, for any school district for which formula ADM means the number verified in the previous fiscal year, the category one special education ADM also shall be as verified from the previous year.

(2) "Category two special education ADM" means a school district's formula ADM of children identified as specific learning disabled or developmentally disabled, as these terms are defined pursuant to Chapter 3323. of the Revised Code, or as having an other health impairment-minor, as defined in this section. Beginning in fiscal year 2010, for any school district for which formula ADM means the number verified in the previous fiscal year, the category two special education ADM also shall be as verified from the previous year.

(3) "Category three special education ADM" means a school district's formula ADM of children identified as hearing disabled or severe behavior disabled, as these terms are defined pursuant to Chapter 3323. of the Revised Code. Beginning in fiscal year 2010, for any school district for which formula ADM means the number verified in the previous fiscal year, the category three special education ADM also shall be as verified from the previous year.

(4) "Category four special education ADM" means a school district's formula ADM of children identified as vision impaired, as this term is defined pursuant to Chapter 3323. of the Revised Code, or as having an other health impairment-major, as defined in this section. Beginning in fiscal year 2010, for any school district for which formula ADM means the number verified in the previous fiscal year, the category four special education ADM also shall be as verified from the previous year.

(5) "Category five special education ADM" means a school district's formula ADM of children identified as orthopedically disabled or as having multiple disabilities, as these terms are defined pursuant to Chapter 3323. of the Revised Code. Beginning in fiscal year 2010, for any school district for which formula ADM means the number verified in the previous fiscal year, the category five special education ADM also shall be as verified from the previous year.

(6) "Category six special education ADM" means a school district's formula ADM of children identified as autistic, having traumatic brain injuries, or as both visually and hearing impaired, as these terms are defined pursuant to Chapter 3323. of the Revised Code. Beginning in fiscal year 2010, for any school district for which formula ADM means the number verified in the

previous fiscal year, the category six special education ADM also shall be as verified from the previous year.

(E) "Class one effective operating tax rate" of a school district means the quotient obtained by dividing the district's class one taxes charged and payable for current expenses, excluding taxes levied under sections 5705.194 to 5705.197, 5705.199, 5705.213, and 5705.219 of the Revised Code, by the district's class one taxable value.

(F) "Core teacher" means an education professional who provides instruction in English-language arts, mathematics, science, social studies, or foreign languages.

(G) "Counselor" means a person with a valid educator license issued pursuant to section 3319.22 of the Revised Code who provides pre-college and career counseling, general academic counseling, course planning, and other counseling services that are not related to a student's individualized education plan, as defined in section 3323.01 of the Revised Code.

(H)(1) "Formula ADM" means, for a city, local, or exempted village school district, the average daily membership described in division (A) of section 3317.03 of the Revised Code, as verified by the superintendent of public instruction and adjusted if so ordered under division (K) of that section, further adjusted by the department of education, as follows:

(a) Count only twenty per cent of the number of joint vocational school district students counted under division (A)(3) of section 3317.03 of the Revised Code;

(b) Add twenty per cent of the number of students who are entitled to attend school in the district under section 3313.64 or 3313.65 of the Revised Code and are enrolled in another school district under a career-technical educational compact.

(2) In making calculations under this chapter that utilize formula ADM, the department shall use the formula ADM derived from the final, verified, and adjusted average daily membership described under division (A) of section 3317.03 of the Revised Code for the prior fiscal year, unless such average daily membership for the current fiscal year exceeds that number by two per cent or more. In that case, the department shall derive the formula ADM from such average daily membership for the current fiscal year.

(3) For fiscal year 2010, the department shall calculate formula ADM on the basis of the final, verified, and adjusted average daily membership, described in division (A) of the version of section 3317.03 of the Revised Code in effect on and after the effective date of this amendment, for October 2008 unless such average daily membership for October 2009 exceeds that number by two per cent or more. In that case, the department shall derive the formula ADM from such average daily membership for October 2009.

(I) "Gifted coordinator" means a person who holds a valid educator

license issued under section 3319.22 of the Revised Code, meets the qualifications for a gifted coordinator specified in the operating standards for identifying and serving gifted students prescribed in rules adopted by the state board of education, and provides coordination services for gifted students in accordance with those standards.

(J) "Gifted intervention specialist" means a person who holds a valid gifted intervention specialist license or endorsement issued under section 3319.22 of the Revised Code and serves gifted students in accordance with the operating standards for identifying and serving gifted students prescribed in rules adopted by the state board of education.

(K) "Internet- or computer-based community school" has the same meaning as in section 3314.02 of the Revised Code.

(L) "Lead teacher" means a teacher who provides mentoring and coaching for new teachers. A lead teacher also assists in coordinating professional development activities, in the development of professional learning communities, and in common planning time, and assists teachers in developing project-based, real-world learning activities for their students. The lead teacher position shall be a rotating position in which an individual shall serve no more than three years. After lead teacher licenses become available under section 3319.22 of the Revised Code, only teachers who hold that license shall be appointed as lead teachers. Until that time, each school district shall designate qualifications for the lead teacher position that are comparable to the licensing requirements, and shall give preference for appointment to the position to teachers who are certified by the national board for professional teaching standards or who meet the qualifications for a "master teacher" established by the educator standards board.

(M) "Limited English proficiency teacher" means a person who provides instruction in English as a second language.

(N) "Medically fragile child" means a child to whom all of the following apply:

(1) The child requires the services of a doctor of medicine or osteopathic medicine at least once a week due to the instability of the child's medical condition.

(2) The child requires the services of a registered nurse on a daily basis.

(3) The child is at risk of institutionalization in a hospital, skilled nursing facility, or intermediate care facility for the mentally retarded.

(O) "Ohio educational challenge factor" means an index to adjust the funding amount for each school district to account for student and community socioeconomic factors affecting teacher recruitment and retention, professional development, and other factors related to quality instruction. The Ohio educational challenge factor for each school district includes the district's college attainment rate of population, wealth per pupil, and concentration of poverty,

and is listed in section 3306.051 of the Revised Code.

(P) "Organizational unit" means, for the purpose of calculating a school district's adequacy amount under this chapter, a unit used to index a school district's formula ADM in certain grade levels. Calculating the number of organizational units in a school district functions to allocate the state's resources in a manner that achieves a thorough, efficient, and adequate educational system that provides the appropriate services to students enrolled in that district. In recognition of the fact that students have different educational needs at each developmental stage, organizational units group the grade levels into elementary school units, middle school units, and high school units. Except as provided in division (C) of section 3306.04 of the Revised Code, a school district's "organizational units" is the sum of its elementary school units, middle school units, and high school units.

(Q) A child may be identified as having an "other health impairment-major" if the child's condition meets the definition of "other health impaired" established in rules adopted by the state board of education prior to July 1, 2001, and if either of the following apply:

(1) The child is identified as having a medical condition that is among those listed by the superintendent of public instruction as conditions where a substantial majority of cases fall within the definition of "medically fragile child."

(2) The child is determined by the superintendent of public instruction to be a medically fragile child. A school district may petition the superintendent of public instruction for a determination that a child is a medically fragile child.

(R) A child may be identified as having an "other health impairment-minor" if the child's condition meets the definition of "other health impaired" established in rules adopted by the state board of education prior to July 1, 2001, but the child's condition does not meet either of the conditions specified in division (Q)(1) or (2) of this section.

(S) "Potential value" of a school district means:

(1) For a district with a class one effective operating rate that is less than twenty and one-tenth effective mills, the sum of its total taxable value plus its tax exempt value;

(2) For a district with a class one effective operating rate that is greater than or equal to twenty and one-tenth effective mills, the sum of its recognized valuation plus its tax exempt value.

(T) "Principal" means a person who provides management oversight of building operations, academic leadership for the teaching professionals, and other administrative duties.

(U) "Property exemption value" means the amount certified for a school district under divisions (A)(6) and (7) of section 3317.021 of the Revised Code.

(V) "Recognized valuation" means the amount calculated for a school district pursuant to section 3317.015 of the Revised Code.

(W) "School nurse wellness coordinator" means a person who has fulfilled the requirements for the issuance of a school nurse wellness coordinator license under section 3319.221 of the Revised Code.

(X) "Small school district" means a city, local, or exempted village school district that has a formula ADM of less than four hundred eighteen students in grades kindergarten through twelve.

(Y) "Special education" has the same meaning as in section 3323.01 of the Revised Code.

(Z) "Special education teacher" means a teacher who holds the necessary license issued pursuant to section 3319.22 of the Revised Code to meet the unique needs of children with disabilities.

(AA) "Special education teacher's aide" means a person providing support for special education teachers and other associated duties.

(BB) "Specialist teacher" means a person holding a valid educator's license, issued pursuant to section 3319.22 of the Revised Code, who provides instruction in dance, drama and theater, music, visual art, or physical education.

(CC) "State share percentage" means the quotient of a school district's state share of the adequacy amount determined under section 3306.13 of the Revised Code divided by the total adequacy amount for the district as described in section 3306.03 of the Revised Code. If the quotient is a negative number, the district's state share percentage is zero.

(DD) "Family and community liaisons" means individuals who provide assistance to students and their families, individuals who are linkage coordinators as described in section 3306.31 of the Revised Code, and may include individuals who hold valid licenses as family liaisons, social workers, and student advocates.

(EE) "Supplemental teacher" means a person holding a valid educator license issued pursuant to section 3319.22 of the Revised Code, or qualified to secure such a license and approved by the school district to provide remedial services, intensive subject-based instruction, homework help, or other forms of supplemental instruction.

(FF) "Targeted poverty indicator" means the percentage of a school district's students who are economically disadvantaged, as determined for purposes of the report card issued under section 3302.03 of the Revised Code.

(GG) "Tax exempt value" of a school district means the amount certified for a school district under division (A)(4) of section 3317.021 of the Revised Code.

(HH) "Total taxable value" means the sum of the amounts certified for a

school district under divisions (A)(1) and (2) of section 3317.021 of the Revised Code.

Sec. 3306.03. (A) The adequacy amount for each city, local, and exempted village school district is the sum of the following:

(1) Instructional services support calculated under section 3306.05 of the Revised Code;

(2) Additional services support calculated under section 3306.06 of the Revised Code;

(3) Administrative services support calculated under section 3306.07 of the Revised Code;

(4) Operations and maintenance support calculated under section 3306.08 of the Revised Code;

(5) Gifted education and enrichment support calculated under sections 3306.09 and 3306.091, respectively, of the Revised Code;

(6) Technology resources support calculated under section 3306.10 of the Revised Code;

(7) The professional development factor, calculated by multiplying the sum of the school district's core teacher, specialist teacher, lead teacher, and special education teacher positions, all as calculated under sections 3306.05 and 3306.11 of the Revised Code, by $1,833 in fiscal years 2010 and 2011;

(8) The instructional materials factor, calculated by multiplying the school district's formula ADM by $165. The instructional materials factor for each city, local, and exempted village school district shall be adjusted by multiplying this calculated amount by 0.20 in fiscal year 2010, by 0.30 in fiscal year 2011, by 0.40 in fiscal years 2012 and 2013, by 0.60 in fiscal years 2014 and 2015, and by 0.80 in fiscal years 2016 and 2017.

(B) The state share of the adequacy amount paid to each school district shall be determined under section 3306.13 of the Revised Code.

(C) Funding for career-technical education teachers and career-technical education program operations shall be calculated under section 3306.052 of the Revised Code. Transportation support shall be calculated under section 3306.12 of the Revised Code. Both are in addition to the state share of the adequacy amount.

Sec. 3306.04. (A) For purposes of calculating the adequacy amount for each city, local, and exempted village school district, the department of education shall calculate the number of the district's organizational units.

(B) Except for a small school district, each school district's "organizational units" is the sum of its elementary school units, middle school units, and high school units, as follows:

(1) The number of the district's elementary school organizational units is calculated by dividing its formula ADM for grades kindergarten to five by four hundred eighteen.

(2) The number of the district's middle school organizational units is calculated by dividing its formula ADM for grades six to eight by five hundred fifty-seven.

(3) The number of the district's high school organizational units is calculated by dividing its formula ADM for grades nine to twelve by seven hundred thirty-three.

(C) For each small school district, the number of organizational units is one organizational unit.

(D) Each school district, regardless of its formula ADM, shall have at least one organizational unit.

Sec. 3306.05. (A) The instructional services support component of the adequacy amount for each city, local, and exempted village school district is the sum of the following:

(1) The core teacher factor;

(2) The specialist teacher factor;

(3) The lead teacher factor;

(4) The special education teacher factor;

(5) The special education teacher's aide factor;

(6) The limited English proficiency teacher factor;

(7) The supplemental teacher factor.

(B) Each factor listed in division (A) of this section shall be calculated by multiplying the Ohio educational challenge factor, specified for the district in section 3306.051 of the Revised Code, times the statewide base teacher salary of $56,902 in fiscal year 2010 and $57,812 in fiscal year 2011, times the number of positions funded, as follows:

(1) The number of core teacher positions funded shall be calculated by dividing the district's formula ADM in grades four to twelve by twenty-five, and then adding that number to the quotient of the district's formula ADM in grades kindergarten to three divided by the following:

(a) In fiscal years 2010 and 2011, nineteen;

(b) In fiscal years 2012 and 2013, seventeen;

(c) In fiscal year 2014 and in each fiscal year thereafter, fifteen.

(2) The number of specialist teacher positions funded shall be calculated by multiplying the number of core teacher positions determined under division

(B)(1) of this section for grades kindergarten to eight by one-fifth, and by multiplying the number of core teacher positions determined for grades nine to twelve by one-fourth.

(3) The number of lead teacher positions funded shall equal the number of the district's organizational units.

(4) The number of special education teacher positions and special education teacher's aide positions funded shall be calculated as provided in section 3306.11 of the Revised Code.

(5) The number of limited English proficiency teacher positions funded shall be calculated by multiplying the district's formula ADM times the district's percentage of limited English proficient students, as defined in 20 U.S.C. 7801, and then dividing that product by one hundred;

(6) The number of supplemental teacher positions funded shall be calculated by multiplying the district's formula ADM times its targeted poverty indicator, and then dividing that product by one hundred.

(C) Each school district shall account separately for expenditures of the amounts received for instructional services support under this section and report that information to the department of education.

Sec. 3306.051. (A) The Ohio educational challenge factor is based on the following characteristics:

(1) The college attainment rate of the school district's population;

(2) The district's wealth per pupil, based on property valuation and federal adjusted gross income;

(3) The district's concentration of poverty, based on its targeted poverty indicator.

(B) The Ohio educational challenge factor for each city, local, and exempted village school district for fiscal years 2010 and 2011 shall equal the following:

School District	County	Educational Challenge Factor
Ada Ex Vill SD	Hardin	1.276507
Adena Local SD	Ross	1.464992
Akron City SD	Summit	1.406389
Alexander Local SD	Athens	1.313935
Allen East Local SD	Allen	1.424432
Alliance City SD	Stark	1.412775
Amanda-Clearcreek Local SD	Fairfield	1.475639
Amherst Ex Vill SD	Lorain	1.075260
Anna Local SD	Shelby	1.145758
Ansonia Local SD	Darke	1.491442
Anthony Wayne Local SD	Lucas	0.967172
Antwerp Local SD	Paulding	1.388847
Arcadia Local SD	Hancock	1.099092
Arcanum Butler Local SD	Darke	1.232531
Archbold-Area Local SD	Fulton	1.061622

Arlington Local SD	Hancock	1.209353
Ashland City SD	Ashland	1.165340
Ashtabula Area City SD	Ashtabula	1.382239
Athens City SD	Athens	1.111632
Aurora City SD	Portage	0.926606
Austintown Local SD	Mahoning	1.199890
Avon Lake City SD	Lorain	0.907126
Avon Local SD	Lorain	0.956278
Ayersville Local SD	Defiance	1.083115
Barberton City SD	Summit	1.378977
Barnesville Ex Vill SD	Belmont	1.336210
Batavia Local SD	Clermont	1.237613
Bath Local SD	Allen	1.162598
Bay Village City SD	Cuyahoga	0.872927
Beachwood City SD	Cuyahoga	0.788347
Beaver Local SD	Columbiana	1.326577
Beavercreek City SD	Greene	0.922944
Bedford City SD	Cuyahoga	1.146404
Bellaire Local SD	Belmont	1.553266
Bellefontaine City SD	Logan	1.316875
Bellevue City SD	Huron	1.224385
Belpre City SD	Washington	1.189101
Benjamin Logan Local SD	Logan	1.092906
Benton Carroll Salem Local SD	Ottawa	1.064360
Berea City SD	Cuyahoga	1.076406
Berkshire Local SD	Geauga	1.031217
Berlin-Milan Local SD	Erie	1.080029
Berne Union Local SD	Fairfield	1.212285
Bethel Local SD	Miami	1.042841
Bethel-Tate Local SD	Clermont	1.467173
Bettsville Local SD	Seneca	1.266982
Bexley City SD	Franklin	0.811340
Big Walnut Local SD	Delaware	0.967045
Black River Local SD	Medina	1.235165
Blanchester Local SD	Clinton	1.464462
Bloom Carroll Local SD	Fairfield	1.019268
Bloomfield-Mespo Local SD	Trumbull	1.242742
Bloom-Vernon Local SD	Scioto	1.550611
Bluffton Ex Vill SD	Allen	1.110535
Boardman Local SD	Mahoning	1.059697
Botkins Local SD	Shelby	1.160687
Bowling Green City SD	Wood	0.994699
Bradford Ex Vill SD	Miami	1.501180
Brecksville-Broadview Hts City SD	Cuyahoga	0.907332
Bridgeport Ex Vill SD	Belmont	1.400416
Bright Local SD	Highland	1.514786
Bristol Local SD	Trumbull	1.311147
Brookfield Local SD	Trumbull	1.254722
Brooklyn City SD	Cuyahoga	1.095906
Brookville Local SD	Montgomery	1.117308
Brown Local SD	Carroll	1.200260
Brunswick City SD	Medina	1.070900
Bryan City SD	Williams	1.147033
Buckeye Central Local SD	Crawford	1.318612
Buckeye Local SD	Ashtabula	1.205162
Buckeye Local SD	Jefferson	1.289405
Buckeye Local SD	Medina	1.045651
Buckeye Valley Local SD	Delaware	1.000444
Bucyrus City SD	Crawford	1.523808
Caldwell Ex Vill SD	Noble	1.326424
Cambridge City SD	Guernsey	1.499755
Campbell City SD	Mahoning	1.595858

Canal Winchester Local SD	Franklin	1.106260
Canfield Local SD	Mahoning	0.947954
Canton City SD	Stark	1.585014
Canton Local SD	Stark	1.232137
Cardinal Local SD	Geauga	1.108513
Cardington-Lincoln Local SD	Morrow	1.470847
Carey Ex Vill SD	Wyandot	1.236865
Carlisle Local SD	Warren	1.238244
Carrollton Ex Vill SD	Carroll	1.267127
Cedar Cliff Local SD	Greene	1.196668
Celina City SD	Mercer	1.175680
Centerburg Local SD	Knox	1.226160
Centerville City SD	Montgomery	0.874900
Central Local SD	Defiance	1.471967
Chagrin Falls Ex Vill SD	Cuyahoga	0.773955
Champion Local SD	Trumbull	1.138977
Chardon Local SD	Geauga	0.970334
Chesapeake Union Ex Vill SD	Lawrence	1.588621
Chillicothe City SD	Ross	1.213102
Chippewa Local SD	Wayne	1.085963
Cincinnati City SD	Hamilton	1.160152
Circleville City SD	Pickaway	1.242114
Clark-Shawnee Local SD	Clark	1.060460
Clay Local SD	Scioto	1.438160
Claymont City SD	Tuscarawas	1.549650
Clear Fork Valley Local SD	Richland	1.313111
Clearview Local SD	Lorain	1.541988
Clermont-Northeastern Local SD	Clermont	1.156191
Cleveland Hts-Univ Hts City SD	Cuyahoga	1.034050
Cleveland Municipal SD	Cuyahoga	1.591903
Clinton-Massie Local SD	Clinton	1.133361
Cloverleaf Local SD	Medina	1.075321
Clyde-Green Springs Ex Vill SD	Sandusky	1.316544
Coldwater Ex Vill SD	Mercer	1.379071
College Corner Local SD	Preble	1.316130
Colonel Crawford Local SD	Crawford	1.091023
Columbia Local SD	Lorain	1.030821
Columbiana Ex Vill SD	Columbiana	1.137881
Columbus City SD	Franklin	1.266133
Columbus Grove Local SD	Putnam	1.244911
Conneaut Area City SD	Ashtabula	1.525711
Conotton Valley Union Local SD	Harrison	1.345678
Continental Local SD	Putnam	1.396089
Copley-Fairlawn City SD	Summit	0.909191
Cory-Rawson Local SD	Hancock	1.146248
Coshocton City SD	Coshocton	1.385980
Coventry Local SD	Summit	1.095527
Covington Ex Vill SD	Miami	1.157932
Crestline Ex Vill SD	Crawford	1.374339
Crestview Local SD	Columbiana	1.310088
Crestview Local SD	Richland	1.481045
Crestview Local SD	Van Wert	1.373754
Crestwood Local SD	Portage	1.129538
Crooksville Ex Vill SD	Perry	1.573427
Cuyahoga Falls City SD	Summit	1.094856
Cuyahoga Heights Local SD	Cuyahoga	0.898436
Dalton Local SD	Wayne	1.092859
Danbury Local SD	Ottawa	0.971857
Danville Local SD	Knox	1.494103
Dawson-Bryant Local SD	Lawrence	1.648169
Dayton City SD	Montgomery	1.448163
Deer Park Community City SD	Hamilton	1.020600

Defiance City SD	Defiance	1.325040
Delaware City SD	Delaware	1.113757
Delphos City SD	Allen	1.157538
Dover City SD	Tuscarawas	1.140054
Dublin City SD	Franklin	0.867517
East Cleveland City SD	Cuyahoga	1.581708
East Clinton Local SD	Clinton	1.462780
East Guernsey Local SD	Guernsey	1.515285
East Holmes Local SD	Holmes	1.139627
East Knox Local SD	Knox	1.155805
East Liverpool City SD	Columbiana	1.590185
East Muskingum Local SD	Muskingum	1.207660
East Palestine City SD	Columbiana	1.344973
Eastern Local SD	Brown	1.331577
Eastern Local SD	Meigs	1.512415
Eastern Local SD	Pike	1.581268
Eastwood Local SD	Wood	1.126743
Eaton Community Schools City SD	Preble	1.136722
Edgerton Local SD	Williams	1.306016
Edgewood City SD	Butler	1.233147
Edison Local SD	Jefferson	1.199355
Edon-Northwest Local SD	Williams	1.318268
Elgin Local SD	Marion	1.333351
Elida Local SD	Allen	1.174016
Elmwood Local SD	Wood	1.457047
Elyria City SD	Lorain	1.284154
Euclid City SD	Cuyahoga	1.257378
Evergreen Local SD	Fulton	1.132215
Fairbanks Local SD	Union	1.029919
Fairborn City SD	Greene	1.169324
Fairfield City SD	Butler	1.120999
Fairfield Local SD	Highland	1.476728
Fairfield Union Local SD	Fairfield	1.305113
Fairland Local SD	Lawrence	1.298842
Fairlawn Local SD	Shelby	1.450135
Fairless Local SD	Stark	1.342312
Fairport Harbor Ex Vill SD	Lake	1.074627
Fairview Park City SD	Cuyahoga	0.917044
Fayetteville-Perry Local SD	Brown	1.232747
Federal Hocking Local SD	Athens	1.504926
Felicity-Franklin Local SD	Clermont	1.545885
Field Local SD	Portage	1.063508
Findlay City SD	Hancock	1.134799
Finneytown Local SD	Hamilton	1.067569
Firelands Local SD	Lorain	1.084064
Forest Hills Local SD	Hamilton	0.918825
Fort Frye Local SD	Washington	1.247229
Fort Loramie Local SD	Shelby	1.228727
Fort Recovery Local SD	Mercer	1.390459
Fostoria City SD	Seneca	1.398532
Franklin City SD	Warren	1.181691
Franklin Local SD	Muskingum	1.516304
Franklin-Monroe Local SD	Darke	1.155467
Fredericktown Local SD	Knox	1.206674
Fremont City SD	Sandusky	1.222520
Frontier Local SD	Washington	1.548391
Gahanna-Jefferson City SD	Franklin	0.937449
Galion City SD	Crawford	1.340599
Gallia County Local SD	Gallia	1.180183
Gallipolis City SD	Gallia	1.309992
Garaway Local SD	Tuscarawas	1.168729
Garfield Heights City SD	Cuyahoga	1.275039

Geneva Area City SD	Ashtabula	1.241353
Genoa Area Local SD	Ottawa	1.144052
Georgetown Ex Vill SD	Brown	1.330521
Gibsonburg Ex Vill SD	Sandusky	1.447493
Girard City SD	Trumbull	1.331051
Gorham Fayette Local SD	Fulton	1.474052
Goshen Local SD	Clermont	1.330935
Graham Local SD	Champaign	1.232041
Grand Valley Local SD	Ashtabula	1.254268
Grandview Heights City SD	Franklin	0.884845
Granville Ex Vill SD	Licking	0.945199
Green Local SD	Scioto	1.368399
Green Local SD	Summit	1.028315
Green Local SD	Wayne	1.206381
Greeneview Local SD	Greene	1.148655
Greenfield Ex Vill SD	Highland	1.511212
Greenon Local SD	Clark	1.063320
Greenville City SD	Darke	1.182750
Groveport Madison Local SD	Franklin	1.237531
Hamilton City SD	Butler	1.370018
Hamilton Local SD	Franklin	1.517435
Hardin Northern Local SD	Hardin	1.241016
Hardin-Houston Local SD	Shelby	1.235363
Harrison Hills City SD	Harrison	1.285541
Heath City SD	Licking	1.159649
Hicksville Ex Vill SD	Defiance	1.451150
Highland Local SD	Medina	0.966108
Highland Local SD	Morrow	1.319540
Hilliard City SD	Franklin	0.985085
Hillsboro City SD	Highland	1.326287
Hillsdale Local SD	Ashland	1.192263
Holgate Local SD	Henry	1.480580
Hopewell-Loudon Local SD	Seneca	1.094095
Howland Local SD	Trumbull	0.997232
Hubbard Ex Vill SD	Trumbull	1.217366
Huber Heights City SD	Montgomery	1.189895
Hudson Local SD	Summit	0.867982
Huntington Local SD	Ross	1.563988
Huron City SD	Erie	0.953062
Independence Local SD	Cuyahoga	0.877361
Indian Creek Local SD	Jefferson	1.194894
Indian Hill Ex Vill SD	Hamilton	0.769421
Indian Lake Local SD	Logan	1.177268
Indian Valley Local SD	Tuscarawas	1.490431
Ironton City SD	Lawrence	1.372550
Jackson Center Local SD	Shelby	1.222754
Jackson City SD	Jackson	1.339235
Jackson Local SD	Stark	0.936952
Jackson-Milton Local SD	Mahoning	1.120098
James A Garfield Local SD	Portage	1.221108
Jefferson Area Local SD	Ashtabula	1.231486
Jefferson Local SD	Madison	1.217465
Jefferson Township Local SD	Montgomery	1.349631
Jennings Local SD	Putnam	1.233214
Johnstown-Monroe Local SD	Licking	1.068628
Jonathan Alder Local SD	Madison	1.087918
Joseph Badger Local SD	Trumbull	1.217508
Kalida Local SD	Putnam	1.134357
Kelleys Island Local SD	Erie	0.897093
Kenston Local SD	Geauga	0.888370
Kent City SD	Portage	1.292091
Kenton City SD	Hardin	1.341240

Kettering City SD	Montgomery	1.039020
Keystone Local SD	Lorain	1.095731
Kings Local SD	Warren	0.944617
Kirtland Local SD	Lake	0.869122
La Brae Local SD	Trumbull	1.509648
Lake Local SD	Stark	1.105350
Lake Local SD	Wood	1.092732
Lakeview Local SD	Trumbull	1.050113
Lakewood City SD	Cuyahoga	1.082658
Lakewood Local SD	Licking	1.161169
Lakota Local SD	Butler	0.991612
Lakota Local SD	Sandusky	1.334058
Lancaster City SD	Fairfield	1.181921
Lebanon City SD	Warren	1.057278
Ledgemont Local SD	Geauga	1.089874
Leetonia Ex Vill SD	Columbiana	1.492636
Leipsic Local SD	Putnam	1.358612
Lexington Local SD	Richland	1.055083
Liberty Benton Local SD	Hancock	1.100796
Liberty Center Local SD	Henry	1.243394
Liberty Local SD	Trumbull	1.143199
Liberty Union-Thurston Local SD	Fairfield	1.153214
Licking Heights Local SD	Licking	1.099699
Licking Valley Local SD	Licking	1.315180
Lima City SD	Allen	1.609824
Lincolnview Local SD	Van Wert	1.304841
Lisbon Ex Vill SD	Columbiana	1.485931
Little Miami Local SD	Warren	1.000131
Lockland City SD	Hamilton	1.263116
Logan Elm Local SD	Pickaway	1.144691
Logan-Hocking Local SD	Hocking	1.351308
London City SD	Madison	1.168705
Lorain City SD	Lorain	1.606260
Lordstown Local SD	Trumbull	1.028907
Loudonville-Perrysville Ex Vill SD	Ashland	1.239646
Louisville City SD	Stark	1.145913
Loveland City SD	Hamilton	0.952906
Lowellville Local SD	Mahoning	1.444465
Lucas Local SD	Richland	1.148773
Lynchburg-Clay Local SD	Highland	1.487133
Mad River Local SD	Montgomery	1.516797
Madeira City SD	Hamilton	0.902798
Madison Local SD	Butler	1.149365
Madison Local SD	Lake	1.210499
Madison Local SD	Richland	1.260875
Madison-Plains Local SD	Madison	1.111244
Manchester Local SD	Summit	1.072196
Manchester Local SD	Adams	1.093117
Mansfield City SD	Richland	1.413073
Maple Heights City SD	Cuyahoga	1.369670
Mapleton Local SD	Ashland	1.244822
Maplewood Local SD	Trumbull	1.306471
Margaretta Local SD	Erie	1.101795
Mariemont City SD	Hamilton	0.888848
Marietta City SD	Washington	1.142004
Marion City SD	Marion	1.561608
Marion Local SD	Mercer	1.395959
Marlington Local SD	Stark	1.198789
Martins Ferry City SD	Belmont	1.598533
Marysville Ex Vill SD	Union	1.084320
Mason City SD	Warren	0.992155
Massillon City SD	Stark	1.355745

Mathews Local SD	Trumbull	1.030473
Maumee City SD	Lucas	0.996440
Mayfield City SD	Cuyahoga	0.851001
Maysville Local SD	Muskingum	1.517598
McComb Local SD	Hancock	1.301153
McDonald Local SD	Trumbull	1.429212
Mechanicsburg Ex Vill SD	Champaign	1.243229
Medina City SD	Medina	1.005089
Meigs Local SD	Meigs	1.584300
Mentor Ex Vill SD	Lake	0.964461
Miami East Local SD	Miami	1.121995
Miami Trace Local SD	Fayette	1.228492
Miamisburg City SD	Montgomery	1.114930
Middletown City SD	Butler	1.257163
Midview Local SD	Lorain	1.092786
Milford Ex Vill SD	Clermont	1.018109
Millcreek-West Unity Local SD	Williams	1.351879
Miller City-New Cleveland Local SD	Putnam	1.379562
Milton-Union Ex Vill SD	Miami	1.221554
Minerva Local SD	Stark	1.326538
Minford Local SD	Scioto	1.509434
Minster Local SD	Auglaize	1.068103
Mississinawa Valley Local SD	Darke	1.517760
Mogadore Local SD	Summit	1.115527
Mohawk Local SD	Wyandot	1.149449
Monroe Local SD	Butler	0.988156
Monroeville Local SD	Huron	1.105963
Montpelier Ex Vill SD	Williams	1.484169
Morgan Local SD	Morgan	1.515632
Mount Gilead Ex Vill SD	Morrow	1.303456
Mount Healthy City SD	Hamilton	1.385527
Mount Vernon City SD	Knox	1.222667
Napoleon City SD	Henry	1.219862
National Trail Local SD	Preble	1.337309
Nelsonville-York City SD	Athens	1.554619
New Albany-Plain Local SD	Franklin	0.863212
New Boston Local SD	Scioto	1.589690
New Bremen Local SD	Auglaize	1.127253
New Knoxville Local SD	Auglaize	1.217764
New Lebanon Local SD	Montgomery	1.462491
New Lexington City SD	Perry	1.545076
New London Local SD	Huron	1.474130
New Miami Local SD	Butler	1.573547
New Philadelphia City SD	Tuscarawas	1.184127
New Richmond Ex Vill SD	Clermont	1.121137
New Riegel Local SD	Seneca	1.393211
Newark City SD	Licking	1.252280
Newbury Local SD	Geauga	0.944732
Newcomerstown Ex Vill SD	Tuscarawas	1.529126
Newton Falls Ex Vill SD	Trumbull	1.313730
Newton Local SD	Miami	1.224466
Niles City SD	Trumbull	1.334003
Noble Local SD	Noble	1.480889
Nordonia Hills City SD	Summit	0.934080
North Baltimore Local SD	Wood	1.308125
North Canton City SD	Stark	1.003775
North Central Local SD	Wayne	1.223714
North Central Local SD	Williams	1.324444
North College Hill City SD	Hamilton	1.379521
North Fork Local SD	Licking	1.226601
North Olmsted City SD	Cuyahoga	1.055678
North Ridgeville City SD	Lorain	1.035395

North Royalton City SD	Cuyahoga	0.943948
North Union Local SD	Union	1.325953
Northeastern Local SD	Clark	1.119356
Northeastern Local SD	Defiance	1.078723
Northern Local SD	Perry	1.254464
Northmont City SD	Montgomery	1.099334
Northmor Local SD	Morrow	1.234469
Northridge Local SD	Licking	1.112137
Northridge Local SD	Montgomery	1.313654
Northwest Local SD	Hamilton	1.097477
Northwest Local SD	Scioto	1.585245
Northwest Local SD	Stark	1.188706
Northwestern Local SD	Clark	1.124065
Northwestern Local SD	Wayne	1.480021
Northwood Local SD	Wood	1.172657
Norton City SD	Summit	1.077363
Norwalk City SD	Huron	1.238518
Norwood City SD	Hamilton	1.203977
Oak Hill Union Local SD	Jackson	1.517445
Oak Hills Local SD	Hamilton	1.009889
Oakwood City SD	Montgomery	0.888026
Oberlin City SD	Lorain	1.151305
Ohio Valley Local SD	Adams	1.546394
Old Fort Local SD	Seneca	1.154292
Olentangy Local SD	Delaware	0.873909
Olmsted Falls City SD	Cuyahoga	1.034716
Ontario Local SD	Richland	1.017660
Orange City SD	Cuyahoga	0.767949
Oregon City SD	Lucas	1.149614
Orrville City SD	Wayne	1.220908
Osnaburg Local SD	Stark	1.161056
Otsego Local SD	Wood	1.085754
Ottawa Hills Local SD	Lucas	0.807704
Ottawa-Glandorf Local SD	Putnam	1.129901
Ottoville Local SD	Putnam	1.155937
Painsville City Local SD	Lake	1.576006
Painsville Township Local SD	Lake	0.979713
Paint Valley Local SD	Ross	1.511112
Pandora-Gilboa Local SD	Putnam	1.207508
Parkway Local SD	Mercer	1.451914
Parma City SD	Cuyahoga	1.096590
Patrick Henry Local SD	Henry	1.314110
Paulding Ex Vill SD	Paulding	1.316904
Perkins Local SD	Erie	1.006525
Perry Local SD	Allen	1.252464
Perry Local SD	Lake	1.014880
Perry Local SD	Stark	1.155570
Perrysburg Ex Vill SD	Wood	0.941179
Pettisville Local SD	Fulton	1.215972
Pickerington Local SD	Fairfield	1.078034
Pike-Delta-York Local SD	Fulton	1.225338
Piqua City SD	Miami	1.252751
Plain Local SD	Stark	1.101022
Pleasant Local SD	Marion	1.066006
Plymouth-Shiloh Local SD	Richland	1.539933
Poland Local SD	Mahoning	0.976878
Port Clinton City SD	Ottawa	1.045171
Portsmouth City SD	Scioto	1.560445
Preble-Shawnee Local SD	Preble	1.253492
Princeton City SD	Hamilton	0.989700
Put-In-Bay Local SD	Ottawa	0.870887
Pymatuning Valley Local SD	Ashtabula	1.357539

Ravenna City SD	Portage	1.258270
Reading Community City SD	Hamilton	1.138957
Revere Local SD	Summit	0.811916
Reynoldsburg City SD	Franklin	1.185729
Richmond Heights Local SD	Cuyahoga	0.988219
Ridgedale Local SD	Marion	1.232091
Ridgemont Local SD	Hardin	1.315320
Ridgewood Local SD	Coshocton	1.499377
Ripley-Union-Lewis Local SD	Brown	1.518737
Rittman Ex Vill SD	Wayne	1.341158
River Valley Local SD	Marion	1.144948
River View Local SD	Coshocton	1.255718
Riverdale Local SD	Hardin	1.463411
Riverside Local SD	Logan	1.477936
Rock Hill Local SD	Lawrence	1.590768
Rocky River City SD	Cuyahoga	0.840017
Rolling Hills Local SD	Guernsey	1.513489
Rootstown Local SD	Portage	1.084884
Ross Local SD	Butler	1.128779
Rossford Ex Vill SD	Wood	1.080899
Russia Local SD	Shelby	1.374251
Salem City SD	Columbiana	1.180687
Sandusky City SD	Erie	1.300930
Sandy Valley Local SD	Stark	1.331965
Scioto Valley Local SD	Pike	1.526714
Sebring Local SD	Mahoning	1.501056
Seneca East Local SD	Seneca	1.233540
Shadyside Local SD	Belmont	1.206383
Shaker Heights City SD	Cuyahoga	0.930871
Shawnee Local SD	Allen	1.008274
Sheffield-Sheffield Lake City SD	Lorain	1.122898
Shelby City SD	Richland	1.248437
Sidney City SD	Shelby	1.240389
Solon City SD	Cuyahoga	0.895529
South Central Local SD	Huron	1.497606
South Euclid-Lyndhurst City SD	Cuyahoga	1.002369
South Point Local SD	Lawrence	1.517360
South Range Local SD	Mahoning	1.076772
Southeast Local SD	Portage	1.237090
Southeast Local SD	Wayne	1.180842
Southeastern Local SD	Clark	1.160870
Southeastern Local SD	Ross	1.513790
Southern Local SD	Columbiana	1.537098
Southern Local SD	Meigs	1.547346
Southern Local SD	Perry	1.600707
Southington Local SD	Trumbull	1.160291
Southwest Licking Local SD	Licking	1.065949
Southwest Local SD	Hamilton	1.093489
South-Western City SD	Franklin	1.265187
Spencerville Local SD	Allen	1.301749
Springboro Community City SD	Warren	0.960788
Springfield City SD	Clark	1.552526
Springfield Local SD	Lucas	1.056764
Springfield Local SD	Mahoning	1.192990
Springfield Local SD	Summit	1.196328
St Bernard-Elmwood Place City SD	Hamilton	1.248092
St Clairsville-Richland City SD	Belmont	1.150841
St Henry Consolidated Local SD	Mercer	1.382949
St Marys City SD	Auglaize	1.150444
Steubenville City SD	Jefferson	1.365647
Stow-Munroe Falls City SD	Summit	0.974464
Strasburg-Franklin Local SD	Tuscarawas	1.147256

Streetsboro City SD	Portage	1.023340
Strongsville City SD	Cuyahoga	0.942379
Struthers City SD	Mahoning	1.530919
Stryker Local SD	Williams	1.237584
Sugarcreek Local SD	Greene	0.946787
Swanton Local SD	Fulton	1.077057
Switzerland Of Ohio Local SD	Monroe	1.363501
Sycamore Community City SD	Hamilton	0.805157
Sylvania City SD	Lucas	0.919772
Symmes Valley Local SD	Lawrence	1.554601
Talawanda City SD	Butler	1.090290
Tallmadge City SD	Summit	1.039240
Teays Valley Local SD	Pickaway	1.231537
Tecumseh Local SD	Clark	1.318724
Three Rivers Local SD	Hamilton	0.992195
Tiffin City SD	Seneca	1.200469
Tipp City Ex Vill SD	Miami	1.056646
Toledo City SD	Lucas	1.362225
Toronto City SD	Jefferson	1.279649
Triad Local SD	Champaign	1.247663
Tri-County North Local SD	Preble	1.220510
Trimble Local SD	Athens	1.608740
Tri-Valley Local SD	Muskingum	1.302648
Tri-Village Local SD	Darke	1.253812
Triway Local SD	Wayne	1.201400
Trotwood-Madison City SD	Montgomery	1.536714
Troy City SD	Miami	1.128451
Tuscarawas Valley Local SD	Tuscarawas	1.133251
Tuslaw Local SD	Stark	1.149109
Twin Valley Community Local SD	Preble	1.226702
Twinsburg City SD	Summit	0.954737
Union Local SD	Belmont	1.472803
Union Scioto Local SD	Ross	1.459022
United Local SD	Columbiana	1.456646
Upper Arlington City SD	Franklin	0.763445
Upper Sandusky Ex Vill SD	Wyandot	1.211886
Upper Scioto Valley Local SD	Hardin	1.481493
Urbana City SD	Champaign	1.245402
Valley Local SD	Scioto	1.556395
Valley View Local SD	Montgomery	1.134885
Van Buren Local SD	Hancock	0.986475
Van Wert City SD	Van Wert	1.302853
Vandalia-Butler City SD	Montgomery	0.982917
Vanlue Local SD	Hancock	1.225490
Vermilion Local SD	Erie	1.101326
Versailles Ex Vill SD	Darke	1.234253
Vinton County Local SD	Vinton	1.581898
Wadsworth City SD	Medina	1.221864
Walnut Township Local SD	Fairfield	1.169550
Wapakoneta City SD	Auglaize	1.218209
Warren City SD	Trumbull	1.557959
Warren Local SD	Washington	1.298018
Warrensville Heights City SD	Cuyahoga	1.261012
Washington Court House City SD	Fayette	1.333465
Washington Local SD	Lucas	1.172637
Washington-Nile Local SD	Scioto	1.547444
Waterloo Local SD	Portage	1.150614
Wauseon Ex Vill SD	Fulton	1.299620
Waverly City SD	Pike	1.469624
Wayne Local SD	Warren	1.056943
Wayne Trace Local SD	Paulding	1.323577
Waynesfield-Goshen Local SD	Auglaize	1.402136

Weathersfield Local SD	Trumbull	1.207306
Wellington Ex Vill SD	Lorain	1.219534
Wellston City SD	Jackson	1.550848
Wellsville Local SD	Columbiana	1.568998
West Branch Local SD	Mahoning	1.297805
West Carrollton City SD	Montgomery	1.220862
West Clermont Local SD	Clermont	1.059095
West Geauga Local SD	Geauga	0.858500
West Holmes Local SD	Holmes	1.243758
West Liberty-Salem Local SD	Champaign	1.221358
West Muskingum Local SD	Muskingum	1.138872
Western Brown Local SD	Brown	1.508565
Western Local SD	Pike	1.616394
Western Reserve Local SD	Huron	1.309909
Western Reserve Local SD	Mahoning	1.091041
Westerville City SD	Franklin	0.963748
Westfall Local SD	Pickaway	1.311966
Westlake City SD	Cuyahoga	0.820277
Wheelersburg Local SD	Scioto	1.305562
Whitehall City SD	Franklin	1.402068
Wickliffe City SD	Lake	0.994269
Willard City SD	Huron	1.358778
Williamsburg Local SD	Clermont	1.225041
Willoughby-Eastlake City SD	Lake	1.069333
Wilmington City SD	Clinton	1.169459
Windham Ex Vill SD	Portage	1.584385
Winton Woods City SD	Hamilton	1.120204
Wolf Creek Local SD	Washington	1.158506
Woodmore Local SD	Sandusky	1.082991
Woodridge Local SD	Summit	0.956249
Wooster City SD	Wayne	1.128544
Worthington City SD	Franklin	0.896897
Wynford Local SD	Crawford	1.300946
Wyoming City SD	Hamilton	0.871194
Xenia Community City SD	Greene	1.223093
Yellow Springs Ex Vill SD	Greene	0.955678
Youngstown City SD	Mahoning	1.634946
Zane Trace Local SD	Ross	1.222296
Zanesville City SD	Muskingum	1.389095

Sec. 3306.052. Each city, local, and exempted village school district shall receive funding for career-technical education teachers and career-technical education program operations for fiscal years 2010 and 2011 as follows:

(A) For fiscal year 2010, each district shall receive an amount equal to the amount the district received for fiscal year 2009 under division (E) of section 3317.022 of the Revised Code, as that section existed for that fiscal year, times 1.0075.

(B) For fiscal year 2011, each district shall receive an amount equal to the amount the district received for fiscal year 2010 under division (A) of this section times 1.0075.

Each school district that receives funds under this section shall spend the funds only for purposes the department of education designates as approved for vocational education expenses. Vocational education expenses approved by the department shall include only expenses connected to the delivery of career-technical programming to students enrolled in state-approved

career-technical programs. The department shall require each school district to report data annually so that the department may monitor the district's compliance with the requirements regarding the manner in which funding received under this section may be spent.

Sec. 3306.06. (A) The additional services support component of the adequacy amount for each city, local, and exempted village school district is the sum of the following:

(1) The family and community liaison factor;

(2) The counselor factor;

(3) The summer remediation factor;

(4) The school nurse wellness coordinator factor;

(5) The district health professional factor.

(B)(1) The family and community liaison factor shall be calculated by multiplying the school district's formula ADM times its targeted poverty indicator and dividing the product by seventy-five, and then multiplying the quotient by the product of the applicable Ohio educational challenge factor times $38,633, in fiscal year 2010, and times $39,381, in fiscal year 2011.

(2) The counselor factor shall be calculated by dividing the district's formula ADM for grades six to twelve by two hundred fifty, and then multiplying the quotient by a dollar amount for each fiscal year established by law. No counselor factor shall be calculated and paid for fiscal years 2010 and 2011.

(3) The summer remediation program factor shall be calculated by multiplying the district's formula ADM times its targeted poverty indicator times fifty per cent, which represents the anticipated participation rate, dividing that product by thirty, which is the assumed student-to-teacher ratio for summer remediation, and multiplying that quotient by the product of $3,000 times the applicable Ohio educational challenge factor.

(4) The school nurse wellness coordinator factor shall be calculated by multiplying the number of the district's organizational units times a dollar amount for each fiscal year established by law, except that in a small school district, the school nurse wellness coordinator factor shall be zero. No school nurse wellness coordinator factor shall be calculated and paid for fiscal years 2010 and 2011.

(5) The district health professional factor for each district equals a dollar amount specified by law for each fiscal year. No district health professional factor shall be calculated and paid for fiscal years 2010 and 2011.

(C) In adopting expenditure and reporting standards under section 3306.25 of the Revised Code, the superintendent of public instruction shall include standards that encourage school districts to give preference to employing

or obtaining the services of licensed school nurses with funds received for the school nurse wellness coordinator factor and the district health professional factor.

(D) Each school district shall account separately for expenditures of the amounts received for additional services support under this section and report that information to the department of education.

Sec. 3306.07. (A) The administrative services support component of the adequacy amount for each city, local, and exempted village school district is the sum of the following:

(1) The district administration factor;

(2) The principal factor;

(3) The administrative support personnel factor;

(B)(1) The district administration factor equals $187,176 in fiscal year 2010 and $190,801 in fiscal year 2011.

(2) The principal factor shall be calculated by multiplying the number of the district's organizational units times $89,563 in fiscal year 2010 and $91,297 in fiscal year 2011. However, each type 1 or type 2 school district shall receive for a principal factor an amount not less than the applicable dollar amount specified in this paragraph times the number of school buildings in the district for which the department of education issued a report card under section 3302.03 of the Revised Code for the prior school year. As used in this division, "type 1 school district" means a school district characterized as a type 1 (rural/agricultural, high poverty, low median income) district, and "type 2 school district" means a school district characterized as a type 2 (rural/agricultural, small student population, low poverty, low to moderate median income), in the typology of districts published by the department in July 2007.

(3) The administrative support personnel factor is funding determined for building managers, secretaries, and noninstructional aides.

(a) The funding for building managers shall be calculated by multiplying $33,624 in fiscal year 2010 and $34,275 in fiscal year 2011 times the number of the district's organizational units.

(b) The funding for secretaries shall be calculated by multiplying $33,624 in fiscal year 2010 and $34,275 in fiscal year 2011 times the number of the district's organizational units, where two additional secretaries shall be funded for each high school organizational unit.

(c) The funding for noninstructional aides shall be a dollar amount set by law for each fiscal year times the number of the district's organizational units, where the organizational units are multiplied by two in the case of elementary school and middle school organizational units and by three in case of high school organizational units.

However, each small school district shall receive funding for one building manager, one secretary, and one noninstructional aide. Every other city, local, and exempted village school district shall receive funding for at least one building manager, one secretary, and one noninstructional aide.

No funding shall be calculated and paid for noninstructional aides for fiscal years 2010 and 2011.

(C) Each school district shall account separately for the amounts received for administrative services support under this section and report that information to the department of education.

Sec. 3306.08. (A) The operations and maintenance support component of the adequacy amount for each city, local, and exempted village school district shall be calculated by multiplying the district's formula ADM times $884.

(B) The operations and maintenance support for each city, local, and exempted village school district shall be adjusted by multiplying the calculated amount by 0.45 in fiscal years 2010 and 2011, and by 0.75 in fiscal years 2012 and 2013.

(C) Each school district shall account separately for expenditures of the amounts received for operations and maintenance support under this section and report that information to the department of education.

Sec. 3306.09. (A) The gifted education support component of the adequacy amount for each city, local, and exempted village school district is the sum of the following:

(1) The gifted identification factor;

(2) The gifted coordinator factor;

(3) The gifted intervention specialist factor;

(4) The gifted intervention specialist professional development factor.

(B)(1) The gifted identification factor shall be calculated by multiplying the district's formula ADM times $5.

(2) The gifted coordinator factor shall be calculated by multiplying $66,375 in fiscal year 2010 and $67,660 in fiscal year 2011 times the quotient of the district's formula ADM divided by two thousand five hundred.

(3) The gifted intervention specialist factor shall be calculated by multiplying the number of the district's organizational units times the Ohio educational challenge factor specified for the district in section 3306.051 of the Revised Code times the statewide base teacher salary specified in section 3306.05 of the Revised Code.

(4) The gifted intervention specialist professional development factor shall be calculated by multiplying the number of the district's organizational units times the per-teaching-position dollar amount specified for the professional

development factor in division (A)(7) of section 3306.03 of the Revised Code.

(C) The gifted intervention specialist factor and the gifted intervention specialist professional development factor for each city, local, and exempted village school district, shall be adjusted by multiplying the calculated amount by 0.20 in fiscal year 2010, by 0.30 in fiscal year 2011, by 0.40 in fiscal years 2012 and 2013, by 0.60 in fiscal years 2014 and 2015, and by 0.80 in fiscal years 2016 and 2017.

(D) A school district that does not submit an annual report under section 3324.05 of the Revised Code, or that reports zero students identified as gifted, shall receive zero funding for the gifted coordinator factor, the gifted intervention specialist factor, and the gifted intervention specialist professional development factor.

(E) Each school district shall expend the funds calculated under the gifted education support component in accordance with rules adopted under section 3306.25 of the Revised Code. Those rules shall require that such funds be spent only for the employment of staff to serve students identified as gifted, in accordance with Chapter 3324. of the Revised Code, or for other services to such students. The rules shall be aligned with the operating standards for identifying and serving gifted students prescribed in rules adopted by the state board of education. Notwithstanding anything to the contrary in section 3306.25 of the Revised Code, the rules regarding the expenditure and reporting of funds for the gifted education support component adopted under that section shall take effect July 1, 2011.

Subject to approval by the department of education, a school district may use up to fifteen per cent of the portion of the gifted intervention specialist factor attributable to the grade six through twelve formula ADM to support access to services provided by the district that are not services described in Chapter 3324. of the Revised Code but are specified in gifted students' written education plans prepared in accordance with the state board's operating standards for identifying and serving gifted students.

(F) Each school district shall account separately for expenditures of the amounts received for gifted identification, gifted coordinators, gifted intervention specialists, and gifted intervention specialist professional development under this section and report that information to the department of education.

(G)(1) Each city, local, and exempted village school district that received for fiscal year 2009 unit funding for gifted student services under division (L) of section 3317.024 and division (E) of section 3317.05 of the Revised Code, as those sections existed for that fiscal year, shall spend in each fiscal year thereafter for services to identified gifted students from the funds received under this chapter an amount not less than the aggregate amount received for such gifted unit funding for fiscal year 2009.

(2) Each city, local, and exempted village school district that, in fiscal

year 2009, received gifted student services from an educational service center, which service center received for fiscal year 2009 unit funding for gifted student services, shall in each fiscal year thereafter do either of the following:

(a) Obtain gifted student services from an educational service center that are comparable to the gifted student services provided to the district with gifted unit funding in fiscal year 2009 by an educational service center;

(b) Spend for services to identified gifted students from the funds received under this chapter an amount not less than the amount of gifted unit funding expended by an educational service center in fiscal year 2009 for the district's students.

(3) No district to which division (G)(1) or (2) of this section applies shall apply for or receive a waiver under section 3306.40 of the Revised Code from the spending requirements prescribed in those divisions or under division (E) of this section.

(4) Each educational service center that received for fiscal year 2009 unit funding for gifted student services shall spend from its state funds in each fiscal year thereafter for services to identified gifted students an amount not less than the aggregate amount received for gifted unit funding for fiscal year 2009. No educational service center to which division (G)(4) of this section shall receive any waiver of this requirement.

(H) A city, local, or exempted village school district that did not receive for fiscal year 2009 unit funding for gifted student services under division (L) of section 3317.024 and division (E) of section 3317.05 of the Revised Code, as those sections existed for that fiscal year, may apply for a waiver under section 3306.40 of the Revised Code from any expenditure requirements prescribed under division (E) of this section. Notwithstanding anything to the contrary in section 3306.40 of the Revised Code, the first waiver granted to a district pursuant to this division shall not be effective for longer than two years, and any subsequent renewal of that waiver shall not be effective for longer than one year.

Sec. 3306.091. (A) The enrichment support component of the adequacy amount for each city, local, and exempted village school district shall be calculated by multiplying the district's formula ADM times $100 times the Ohio educational challenge factor.

(B) The enrichment support for each city, local, and exempted village school district shall be adjusted by multiplying the calculated amount by 0.20 in fiscal year 2010, by 0.30 in fiscal year 2011, by 0.40 in fiscal years 2012 and 2013, by 0.60 in fiscal years 2014 and 2015, and by 0.80 in fiscal years 2016 and 2017.

(C) The enrichment support component shall be used for purposes other than services for students identified as gifted delivered in accordance with Chapter 3324. of the Revised Code. A district may spend the enrichment support component to pay for enrichment activities that may encourage the intellectual

and creative pursuits of all students, including the fine arts.

(D) Each school district shall account separately for expenditures of the amounts received for enrichment support under this section and report that information to the department of education.

Sec. 3306.10. (A) The technology resources support component of the adequacy amount for each city, local, and exempted village school district is the sum of the following:

(1) The licensed librarian and media specialist factor;

(2) The technical equipment factor.

(B)(1) The licensed librarian and media specialist factor shall be calculated by multiplying the number of the district's organizational units times $60,000.

(2) The technical equipment factor shall be calculated by multiplying the district's formula ADM times $250.

(C) The licensed librarian and media specialist factor and the technical equipment factor for each city, local, and exempted village school district shall be adjusted by multiplying the calculated amounts by 0.20 in fiscal year 2010, by 0.30 in fiscal year 2011, by 0.40 in fiscal years 2012 and 2013, by 0.60 in fiscal years 2014 and 2015, and by 0.80 in fiscal years 2016 and 2017.

(D) Each school district shall account separately for the amounts received for technology resources support under this section and report that information to the department of education.

Sec. 3306.11. (A) For the purpose of calculating a school district's instructional services support under section 3306.05 of the Revised Code, the number of special education teacher positions used in calculating the special education teacher factor, and the number of special education teacher's aide positions used in calculating the special education teacher's aide factor shall be calculated as set forth in this section.

(B)(1) The number of special education teacher positions shall be calculated by multiplying the sum of the weighted number of children with disabilities calculated under division (C) of this section times nine-tenths, and then dividing that product by twenty.

(2) The number of special education teacher's aide positions shall be calculated by dividing the number of special education teacher positions calculated under division (B)(1) of this section by two, and multiplying that quotient by 0.50 in fiscal years 2010 and 2011.

(C) The weighted number of children with disabilities for a school district is the sum of:

(1) 0.2906 times the district's category one special education ADM;

(2) 0.7374 times the district's category two special education ADM;

(3) 1.7716 times the district's category three special education ADM;

(4) 2.3643 times the district's category four special education ADM;

(5) 3.2022 times the district's category five special education ADM;

(6) 4.7205 times the district's category six special education ADM.

(D) Each school district shall account separately for expenditures of the amounts received for resources for children with disabilities under this section and section 3306.05 of the Revised Code and report that information to the department of education. Those amounts may be used to pay for providers of related services, as defined in section 3323.01 of the Revised Code, for children with disabilities.

Sec. 3306.12. (A) As used in this section:

(1) "Assigned bus" means a school bus used to transport qualifying riders.

(2) "Nontraditional ridership" means the average number of qualifying riders who are enrolled in a community school established under Chapter 3314. of the Revised Code, in a STEM school established under Chapter 3326. of the Revised Code, or in a nonpublic school and are provided school bus service by a school district during the first full week of October.

(3) "Qualifying riders" means resident students enrolled in regular education in grades kindergarten to twelve who are provided school bus service by a school district and who live more than one mile from the school they attend, including students with dual enrollment in a joint vocational school district or a cooperative education school district, and students enrolled in a community school, STEM school, or nonpublic school.

(4) "Qualifying ridership" means the average number of qualifying riders who are provided school bus service by a school district during the first full week of October.

(5) "Rider density" means the number of qualifying riders per square mile of a school district.

(6) "School bus service" means a school district's transportation of qualifying riders in any of the following types of vehicles:

(a) School buses owned or leased by the district;

(b) School buses operated by a private contractor hired by the district;

(c) School buses operated by another school district or entity with which the district has contracted, either as part of a consortium for the provision of transportation or otherwise.

(B) Not later than the fifteenth day of October each year, each city, local,

and exempted village school district shall report to the department of education its qualifying ridership, nontraditional ridership, number of qualifying riders per assigned bus, and any other information requested by the department. Subsequent adjustments to the reported numbers shall be made only in accordance with rules adopted by the department.

(C) The department shall calculate the statewide transportation cost per student as follows:

(1) Determine each city, local, and exempted village school district's transportation cost per student by dividing the district's total costs for school bus service in the previous fiscal year by its qualifying ridership in the previous fiscal year.

(2) After excluding districts that do not provide school bus service and the ten districts with the highest transportation costs per student and the ten districts with the lowest transportation costs per student, divide the aggregate cost for school bus service for the remaining districts in the previous fiscal year by the aggregate qualifying ridership of those districts in the previous fiscal year.

(D) The department shall calculate the statewide transportation cost per mile as follows:

(1) Determine each city, local, and exempted village school district's transportation cost per mile by dividing the district's total costs for school bus service in the previous fiscal year by its total number of miles driven for school bus service in the previous fiscal year.

(2) After excluding districts that do not provide school bus service and the ten districts with the highest transportation costs per mile and the ten districts with the lowest transportation costs per mile, divide the aggregate cost for school bus service for the remaining districts in the previous fiscal year by the aggregate miles driven for school bus service in those districts in the previous fiscal year.

(E) The department shall calculate each city, local, and exempted village school district's transportation base payment as follows:

(1) Multiply the statewide transportation cost per student by the district's qualifying ridership for the current fiscal year.

(2) Multiply the statewide transportation cost per mile by the district's total number of miles driven for school bus service in the current fiscal year.

(3) Multiply the greater of the amounts calculated under divisions (E)(1) and (2) of this section by the greater of sixty per cent or the district's state share percentage.

(F) The department shall calculate each city, local, and exempted village school district's nontraditional ridership adjustment according to the following formula:

(nontraditional ridership for the current fiscal year /
qualifying ridership for the current fiscal year) X 0.1 X

transportation base payment

(G) If a city, local, and exempted village school district offers school bus service to all resident students who are enrolled in regular education in district schools in grades nine to twelve and who live more than one mile from the school they attend, the department shall calculate the district's high school ridership adjustment according to the following formula:

0.025 X transportation base payment

(H) If a city, local, and exempted village school district offers school bus service to students enrolled in grades kindergarten to eight who live more than one mile, but two miles or less, from the school they attend, the department shall calculate an additional adjustment according to the following formula:

0.025 X transportation base payment

(I)(1) The department annually shall establish a target number of qualifying riders per assigned bus for each city, local, and exempted village school district. The department shall use the most recently available data in establishing the target number. The target number shall be based on the statewide median number of qualifying riders per assigned bus as adjusted to reflect the district's rider density in comparison to the rider density of all other districts. The department shall post on the department's web site each district's target number of qualifying riders per assigned bus and a description of how the target number was determined.

(2) The department shall determine each school district's efficiency index by dividing the district's median number of qualifying riders per assigned bus by its target number of qualifying riders per assigned bus.

(3) The department shall determine each city, local, and exempted village school district's efficiency adjustment as follows:

(a) If the district's efficiency index is equal to or greater than 1.5, the efficiency adjustment shall be calculated according to the following formula:

0.1 X transportation base payment

(b) If the district's efficiency index is less than 1.5 but equal to or greater than 1.0, the efficiency adjustment shall be calculated according to the following formula:

[(efficiency index – 1) / 5] X transportation base payment

(c) If the district's efficiency index is less than 1.0, the efficiency adjustment shall be zero.

(J) The department shall pay each city, local, and exempted village school district the lesser of the following:

(1) The sum of the amounts calculated under divisions (E) to (H) and (I)(3) of this section;

(2) The district's total costs for school bus service for the prior fiscal year.

(K) In addition to funds paid under division (J) of this section, each city,

local, and exempted village district shall receive in accordance with rules adopted by the state board of education a payment for students transported by means other than school bus service and whose transportation is not funded under division (G) of section 3317.024 of the Revised Code. The rules shall include provisions for school district reporting of such students.

(L)(1) In fiscal years 2010 and 2011, the department shall pay each district a pro rata portion of the amounts calculated under division (J) of this section and described in division (K) of this section, based on state appropriations.

(2) In addition to the prorated payment under division (L)(1) of this section, in fiscal years 2010 and 2011, the department shall pay each school district that meets the conditions prescribed in division (L)(3) of this section an additional amount equal to the following product:

(a) The difference of (i) the amounts calculated under division (J) of this section and prescribed in division (K) of this section minus (ii) that prorated payment; times

(b) 0.30 in fiscal year 2010 and 0.70 in fiscal year 2011.

(3) Division (L)(2) of this section applies to each school district that meets all of the following conditions:

(a) The district qualifies for the calculation of a payment under division (J) of this section because it transports students on board-owned or contractor-owned school buses.

(b) The district's local wealth per pupil, calculated as prescribed in section 3317.0217 of the Revised Code, is at or below the median local wealth per pupil of all districts that qualify for calculation of a payment under division (J) of this section.

(c) The district's rider density is at or below the median rider density of all districts that qualify for calculation of a payment under division (J) of this section.

Sec. 3306.13. (A) The department of education shall compute and distribute to each city, local, and exempted village school district the state share of the adequacy amount for the fiscal year by subtracting the district's charge-off amount calculated under division (B) of this section from its adequacy amount calculated under section 3306.03 of the Revised Code.

(B)(1) For districts with a class one effective operating tax rate that is less than twenty and one-tenth effective mills as of the first day of July of the current fiscal year, the charge-off amount equals the applicable charge-off rate, prescribed in division (C) of this section, times the sum of the district's total taxable value plus its property exemption value.

(2) For districts with a class one effective operating tax rate that is greater than or equal to twenty and one-tenth class one effective mills as of the first day

of July of the current fiscal year, the charge-off amount equals the applicable charge-off rate, prescribed in division (C) of this section, times the sum of the district's recognized valuation plus its property exemption value.

If the difference obtained from the calculation is a negative number, the state share shall be zero.

(3)(a) For each school district for which the tax exempt value of the district equals or exceeds twenty-five per cent of the potential value of the district, the department shall calculate the difference between the district's tax exempt value and twenty-five per cent of the district's potential value.

(b) For each school district to which division (B)(3)(a) of this section applies, the department shall adjust the total taxable value used in the calculation under division (B)(1) of this section or the recognized valuation used in the calculation under division (B)(2) of this section by subtracting from it the amount calculated under division (B)(3)(a) of this section.

(C) The charge-off rate shall be as follows:

(1) In fiscal years 2010 and 2011, 0.022;

(2) In fiscal years 2012 and 2013, 0.021;

(3) In fiscal year 2014 and in each fiscal year thereafter, 0.020.

(D) The department shall use the information obtained under section 3317.021 of the Revised Code during the calendar year in which the fiscal year begins to calculate the district state shares under this section.

Sec. 3306.18. On or before the fifteenth day of July of each year, the superintendent of public instruction shall certify to the state board of education the amount each city, local, and exempted village school district expended in the previous fiscal year on each factor of the district's adequacy amount.

Sec. 3306.19. (A) The department of education shall calculate and pay transitional aid in fiscal years 2010 and 2011 to each city, local, and exempted village school district in accordance with this section. For fiscal year 2010, the amount of a district's transitional aid shall be the positive difference of ninety-nine per cent of its transitional aid base for that fiscal year minus the sum of its state share of the adequacy amount calculated under section 3306.13 of the Revised Code plus the amount calculated for career-technical education under section 3306.052 of the Revised Code plus the prorated transportation funding calculated under division (L)(1) of section 3306.12 of the Revised Code. For fiscal year 2011, the amount of a district's transitional aid shall be the positive difference of ninety-eight per cent of its transitional aid base for that fiscal year minus the sum of its state share of the adequacy amount calculated under section 3306.13 of the Revised Code plus the amount calculated for career-technical education under section 3306.052 of the Revised Code plus the prorated transportation funding calculated under division (L)(1) of section 3306.12 of the Revised Code.

(1) The transitional aid guarantee base for each city, local, and exempted village school district for fiscal year 2010 equals the sum of the following computed for fiscal year 2009, as reconciled by the department, less any general revenue fund spending reductions ordered by the governor under section 126.05 of the Revised Code:

(a) Base-cost funding under division (A) of section 3317.022 of the Revised Code;

(b) Special education and related services additional weighted funding under division (C)(1) of section 3317.022 of the Revised Code;

(c) Speech services funding under division (C)(4) of section 3317.022 of the Revised Code;

(d) Vocational education additional weighted funding under division (E) of section 3317.022 of the Revised Code;

(e) GRADS funding under division (N) of section 3317.024 of the Revised Code;

(f) Adjustments for classroom teachers and educational service personnel under divisions (B), (C), and (D) of section 3317.023 of the Revised Code;

(g) Gifted education units under division (L) of section 3317.024 and section 3317.05 of the Revised Code;

(h) Transportation under Section 269.20.80 of Am. Sub. H.B. 119 of the 127th general assembly;

(i) The excess cost supplement under division (F) of section 3317.022 of the Revised Code;

(j) The charge-off supplement under section 3317.0216 of the Revised Code;

(k) Transitional aid under Section 269.30.80 of Am. Sub. H.B. 119 of the 127th general assembly.

(2) The transitional aid guarantee base for each city, local, and exempted village school district for fiscal year 2011 equals the following difference:

(a) The sum of the district's state share of the adequacy amount calculated under section 3306.13 of the Revised Code plus the district's career-technical education funding calculated under division (L)(1) of section 3306.052 of the Revised Code plus the district's prorated transportation funding calculated under division (L)(1) of section 3306.12 of the Revised Code plus any transitional aid payment under this section for fiscal year 2010, as the sum is adjusted under division (B)(1) of this section, if applicable; minus

(b) Any general revenue fund spending reductions ordered by the governor for fiscal year 2010 under section 126.05 of the Revised Code.

(B) Notwithstanding any provision of this chapter to the contrary:

(1) The combination of the state share of the adequacy amount plus the prorated transportation funding under division (L)(1) of section 3306.12 of the Revised Code for any city, local, or exempted village school district for fiscal year 2010 shall not exceed 1.0075 times the difference of its transitional aid guarantee base for fiscal year 2010 minus the amount described in division (A)(1)(d) of this section.

(2) The combination of the state share of the adequacy amount plus the prorated transportation funding under division (L)(1) of section 3306.12 of the Revised Code for any city, local, or exempted village school district for fiscal year 2011 shall not exceed 1.0075 times the difference of its transitional aid guarantee base for fiscal year 2011 minus the amount paid to the district under division (A) of section 3306.052 of the Revised Code.

Sec. 3306.191. The department of education shall calculate and pay additional transitional aid in fiscal year 2011 to a city, local, and exempted village school district equal to the following:

(0.98 X the district's state education aid for fiscal year 2010) – the district's state education aid for fiscal year 2011

If the result is a negative number, no payment shall be paid under this section.

As used in this section, "state education aid" has the same meaning as in section 5751.20 of the Revised Code.

Sec. 3306.192. In fiscal year 2012 and in each fiscal year thereafter, the department of education shall pay a city, local, or exempted village school district additional funds computed as follows:

(A) The statewide per pupil amount paid for chartered nonpublic school students – (the sum of the district's payments under sections 3306.052, 3306.12, 3306.13, and 3306.19 of the Revised Code/its formula ADM); times

(B) The district's formula ADM.

If the result is a negative number, no payment shall be made under this section.

As used in this section, the "statewide per pupil amount paid for chartered nonpublic school for students" means the statewide per pupil amount paid under sections 3317.06 and 3317.063 of the Revised Code, combined, for the current fiscal year, as calculated by the department.

Sec. 3306.21. Nothing in this chapter shall be construed to affect or limit the authority of a school district, community school, or STEM school to contract with an educational service center, under sections 3313.843, 3313.844, 3313.845, 3314.022, and 3326.45 of the Revised Code, for the provision of any services for which funds are calculated and paid under this chapter.

Sec. 3306.22. Nothing in this chapter shall be construed to prohibit a school district from using funds calculated and paid under this chapter to

establish, operate, or participate in a joint or cooperative program under section 3313.842 of the Revised Code.

Sec. 3306.25. (A) The superintendent of public instruction shall adopt rules, in accordance with Chapter 119. of the Revised Code, prescribing standards for the expenditure of funds calculated under this chapter and for the reporting of expenditures of those funds for particular funded components, as determined by the superintendent, so that those funds are directed toward the purposes for which they were calculated.

The superintendent shall classify the components into the following categories:

(1) Core academic strategy components, which shall be considered those components that are fundamental to successful education practices in the twenty-first century for all students;

(2) Academic improvement components, which shall be considered those components that have been demonstrated to make the greatest improvement in the academic achievement of underperforming students;

(3) Other components.

The superintendent shall determine the funded components included in each category.

(B) The rules adopted for core academic strategy components under division (A)(1) of this section shall prescribe standards for expenditure and reporting. The rules shall afford districts degrees of flexibility in determining how to spend funds calculated for the components included in that category depending on the district's current performance rating under section 3302.03 of the Revised Code. The higher the rating, the greater flexibility the rules shall provide. Districts rated excellent shall not be subject to the expenditure standards, but shall comply with the reporting standards.

(C) The rules adopted for academic improvement components under division (A)(2) of this section shall prescribe standards for expenditure and reporting and shall apply only to school districts that have been declared to be in academic emergency or academic watch, under section 3302.03 of the Revised Code, for two or more consecutive years, beginning with the ratings of districts issued under that section in the fiscal year that begins two years prior to the effective date of rules adopted under division (A)(2) of this section.

(D) The rules adopted under division (A)(3) of this section shall prescribe only reporting standards and shall not prescribe spending requirements or standards. The rules shall apply to all school districts.

(E) The rules shall take effect pursuant to a schedule determined by the superintendent. However:

(1) The rules adopted under division (A)(1) of this section prescribing reporting standards for core academic strategy components shall not take effect

before July 1, 2010.

(2) The rules adopted under division (A)(1) of this section prescribing expenditure standards for core academic strategy components shall not take effect before July 1, 2011.

(3) The rules adopted under division (A)(2) of this section prescribing reporting standards for academic improvement components shall not take effect before July 1, 2010.

(4) The rules adopted under division (A)(2) of this section prescribing expenditure standards for academic improvement components shall not take effect before July 1, 2011.

(5) The rules adopted under division (A)(3) of this section prescribing reporting standards for other components shall not take effect before July 1, 2010.

(F) Each school district shall comply with each applicable rule adopted under this section beginning on the effective date of that rule.

Sec. 3306.30. (A) The board of education of each city, local, and exempted village school district annually shall submit to the department of education, by the date and in the manner prescribed by the superintendent of public instruction, a plan describing how the district will deploy the funds received under this chapter. The plan shall deploy the funds received for each component of the adequacy amount, shall comply with any applicable expenditure or reporting standard prescribed by rule adopted under section 3306.25 of the Revised Code, and shall comply with the operating standards adopted under division (D)(3) of section 3301.07 of the Revised Code and any directive of the superintendent of public instruction, unless a waiver has been granted under section 3306.40 of the Revised Code. In the case of a district to which section 3306.31 of the Revised Code applies, the plan shall include the deployment of funds for the purposes described in divisions (B) and (D) of that section.

(B) The department annually shall reconcile each spending plan submitted under this section with the actual spending of the district. If the department finds that a district has not complied with any applicable expenditure or reporting standard prescribed by rule adopted under section 3306.25 of the Revised Code, the department shall proceed to take action under section 3306.33 of the Revised Code.

(C) If a school district fails to submit a spending plan as required by this section or, as applicable, section 3306.31 of the Revised Code, the department shall proceed to take action under section 3306.33 of the Revised Code.

Sec. 3306.31. (A) This section applies to any city, local, or exempted village school district that has a three-year average graduation rate, as defined in section 3301.0711 of the Revised Code, of eighty per cent or less.

(B) The board of education of each school district to which this section applies shall implement actions prescribed by the governor's closing the achievement gap initiative in each of the following:

(1) Each high school;

(2) Each elementary or middle school in which less than fifty per cent of the students have attained a proficient score on the fourth or seventh grade achievement assessments in English language arts or mathematics required under section 3301.0710 of the Revised Code.

(C) The board of education of each school district to which this section applies shall work with the department of education and the governor's closing the achievement gap initiative in developing its annual spending plan prior to submitting the plan under section 3306.30 of the Revised Code.

(D) The board of each district to which this section applies shall create and staff, in each organizational unit, at least one position funded under division (A)(1) of section 3306.06 of the Revised Code. Each such position shall function as a linkage coordinator for closing the achievement gap and increasing the graduation rate. A linkage coordinator is a person, meeting guidelines established by the governor's closing the achievement gap initiative, who shall work with and who is the primary mentor, coach, and motivator for students identified as at risk of not graduating, as defined by the governor's closing the achievement gap initiative, and who coordinates those students' participation in academic programs, social service programs, out-of-school cultural and work-related experiences, and in-school and out-of-school mentoring programs, based on the students' needs. The linkage coordinator shall coordinate remedial disciplinary plans as needed and work with school personnel to gather student academic information and to engage parents of targeted students. The linkage coordinator shall serve as a liaison between the school and the governor's closing the achievement gap initiative and shall participate in all professional development activities as directed by the closing the achievement gap initiative. The linkage coordinator shall establish and coordinate the work of academic promotion teams, which shall address the academic and social needs of the identified students. The membership of teams in different schools may vary and may include the linkage coordinator, parents, teachers, principals, school nurses, school counselors, probation officers, or other school personnel or members of the community.

(E) The governor's closing the achievement gap initiative shall work with each organizational unit of a school district to which this section applies to assess the progress in implementing prescribed activities, as required under division (B) of this section, and shall assist linkage coordinators, administrators, and other school staff in ensuring compliance with the district's spending plan required under section 3306.30 of the Revised Code.

(F) The items related to implementing divisions (B) and (D) of this section included in the spending plan of a district to which this section applies

are subject to the approval of the superintendent of public instruction and the governor's closing the achievement gap initiative. If they disapprove those items in the plan, the state superintendent shall do one of the following:

(1) Modify the items related to implementing divisions (B) and (D) of this section in the plan as the state superintendent considers appropriate and notify the district board of the modifications. The district board shall comply with the plan as modified by the state superintendent.

(2) Return the spending plan and require the district board to modify the items related to implementing divisions (B) and (D) of this section in the plan according to the state superintendent's instructions or recommendations. The district board shall modify the plan according to the state superintendent's instructions or recommendations and return the modified plan by a date specified by the state superintendent.

(G) The department shall work with the governor's closing the achievement gap initiative in reconciling, under division (B) of section 3306.30 of the Revised Code, the spending plan submitted by a district to which this section applies with the district's actual spending.

Sec. 3306.33. (A) Not earlier than July 1, 2011, the department of education shall take action under this section with respect to a school district in either of the following circumstances:

(1) The department determines that the school district has failed to comply with any applicable expenditure or reporting standard prescribed by rule adopted under section 3306.25 of the Revised Code.

(2) The district fails to submit a spending plan under section 3306.30 and, if applicable, section 3306.31 of the Revised Code.

(B) When a circumstance described in division (A) of this section applies, the department shall provide the school district with technical assistance to bring the district into compliance with the expenditure and reporting standards adopted under section 3306.25 of the Revised Code and the requirements of this chapter, as applicable to the circumstance triggering action under this section. In addition, the board of the district shall take all of the following actions:

(1) Develop and submit to the department a three-year operations improvement plan containing all of the following:

(a) An analysis of the reasons for the failure to meet the applicable expenditure or reporting standards or requirements of this chapter;

(b) Specific strategies the board will use to address the problems in meeting the standards or requirements;

(c) Identification of the resources the board will use to meet the standards or requirements;

(d) A description of how the board will measure its progress in meeting

the standards or requirements.

If the district is required to have a continuous improvement plan under section 3302.04 of the Revised Code, the three-year operations improvement plan required by this section shall be aligned with the continuous improvement plan.

(2) Notify the parent or guardian of each student served by the district either in writing or by electronic means, of the standards or requirements that were not met, the actions being taken to meet the standards or requirements, and any progress achieved in the immediately preceding school year toward meeting the standards or requirements.

(3) Present the plan, and take public testimony with respect to it, in a public hearing before the board.

(C) When a circumstance described in division (A) of this section applies to a school district for a second consecutive year, whether it is the same or a different circumstance, the department shall provide the district with technical assistance to bring the district into compliance with the expenditure or reporting standards adopted under section 3306.25 of the Revised Code and the requirements of this chapter, as applicable to the circumstance triggering action under this section. In addition, both of the following apply:

(1) The board shall take all of the actions prescribed in divisions (B)(1) to (3) of this section;

(2) The department shall establish a state intervention team to evaluate all aspects of the district's operations, including, but not limited to, management, instructional methods, resource allocation, and scheduling. The intervention team shall include teachers and administrators recognized as outstanding in their fields. The team shall make recommendations regarding methods for bringing the district into compliance with the applicable standards adopted under section 3306.25 of the Revised Code and requirements of this chapter. The superintendent of public instruction shall establish guidelines for the intervention teams. The district shall pay the costs of the intervention team.

(D) When a circumstance described in division (A) of this section applies to a school district for a third consecutive year, whether it is the same or a different circumstance as in the preceding years, the superintendent of public instruction shall either:

(1) Establish an accountability compliance commission under section 3306.34 of the Revised Code;

(2) Appoint a trustee who shall govern the district in place of the board of education of the school district until the beginning of the first year that none of the circumstances described in division (A) of this section apply to the district.

(E) When a circumstance described in division (A) of this section applies to a school district for a fourth consecutive year, whether it is the same or a

different circumstance as in the preceding years, the state board of education shall proceed under section 3301.16 of the Revised Code to revoke the district's charter.

(F) At any time, the state board may proceed under section 3301.16 of the Revised Code to revoke the charter of a school district that fails to meet the operating standards established under division (D)(3) of section 3301.07 of the Revised Code or fails to comply with this section.

Sec. 3306.34. (A) Each accountability compliance commission appointed under division (D) of section 3306.33 of the Revised Code is a body both corporate and politic, constituting an agency and instrumentality of the state and performing essential governmental functions of the state. A commission shall be known as the "accountability compliance commission for ..... (name of school district)," and, in that name, may exercise all authority vested in such a commission by this section. A separate commission shall be established for each school district for which the superintendent of public instruction opts to establish a commission under division (D) of section 3306.33 of the Revised Code.

(B) Each accountability commission shall consist of three members, one of whom shall be appointed by the governor, one of whom shall be appointed by the superintendent of public instruction, and one of whom shall be appointed by the auditor of state.

All members shall serve at the pleasure of the appointing authority during the life of the commission. In the event of the death, resignation, incapacity, removal, or ineligibility to serve of a member, the appointing authority shall appoint a successor within fifteen days after the vacancy occurs. Members shall serve without compensation, but shall be paid by the commission their necessary and actual expenses incurred while engaged in the business of the commission.

(C) Immediately after appointment of the initial members of an accountability compliance commission, the state superintendent shall call the first meeting of the commission and shall cause written notice of the time, date, and place of that meeting to be given to each member of the commission at least forty-eight hours in advance of the meeting. The first meeting shall include an overview of the commission's roles and responsibilities, the requirements of section 2921.42 and Chapter 102. of the Revised Code as they pertain to commission members, the requirements of section 121.22 of the Revised Code, and the provisions of division (F) of this section. At its first meeting, the commission shall adopt temporary bylaws in accordance with division (D) of this section to govern its operations until the adoption of permanent bylaws.

The state superintendent shall designate a chairperson for the commission from among the members. The chairperson shall call and conduct meetings, set meeting agendas, and serve as a liaison between the commission and the district board of education. The chairperson also shall appoint a secretary, who shall not be a member of the commission.

The department of education shall provide administrative support for the

commission, provide data requested by the commission, and inform the commission of available state resources that could assist the commission in its work.

(D) Each accountability compliance commission may adopt and alter bylaws and rules, which shall not be subject to section 111.15 or Chapter 119. of the Revised Code, for the conduct of its affairs and for the manner, subject to this section, in which its powers and functions shall be exercised and embodied.

(E) Two members of an accountability compliance commission constitute a quorum of the commission. The affirmative vote of two members of the commission is necessary for any action taken by vote of the commission. No vacancy in the membership of the commission shall impair the rights of a quorum by such vote to exercise all the rights and perform all the duties of the commission. Members of the commission are not disqualified from voting by reason of the functions of any other office they hold and are not disqualified from exercising the functions of the other office with respect to the school district, its officers, or the commission.

(F) The members of an accountability compliance commission, the state superintendent, and any person authorized to act on behalf of or assist them shall not be personally liable or subject to any suit, judgment, or claim for damages resulting from the exercise of or failure to exercise the powers, duties, and functions granted to them in regard to their functioning under this section, but the commission, state superintendent, and such other persons shall be subject to mandamus proceedings to compel performance of their duties under this section.

(G) Each member of an accountability compliance commission shall file the statement described in section 102.02 of the Revised Code with the Ohio ethics commission. The statement shall be confidential, subject to review, as described in division (B) of that section.

(H) Meetings of each accountability compliance commission shall be subject to section 121.22 of the Revised Code.

(I) Each accountability compliance commission shall seek input from the district board of education regarding ways to improve the district's operations and compliance with the requirements of this chapter and the expenditure and reporting standards prescribed by rule adopted under section 3306.25 of the Revised Code, but any decision of the commission related to any authority granted to the commission under this section shall be final.

The commission may do any of the following:

(1) Prepare and submit the school district's spending plan required under section 3306.30 and, if applicable, section 3306.31 of the Revised Code;

(2) Appoint school building administrators and reassign administrative personnel;

(3) Terminate the contracts of administrators or administrative personnel.

The commission shall not be required to comply with section 3319.16 of the Revised Code with respect to any contract terminated under this division.

(4) Contract with a private entity to perform school or district management functions;

(5) Establish a budget for the district and approve district appropriations and expenditures, unless a financial planning and supervision commission has been established for the district pursuant to section 3316.05 of the Revised Code;

(6) Exercise the powers, duties, and functions with respect to the district as are granted to a financial planning and supervision commission with respect to a school district under divisions (A)(1) to (4) of section 3316.07 of the Revised Code, unless a financial planning and supervision commission has been established for the district.

(J) If the board of education of a school district for which an accountability compliance commission has been established renews any collective bargaining agreement under Chapter 4117. of the Revised Code during the existence of the commission, the board shall not enter into any agreement that would render any decision of the commission unenforceable.

(K) An accountability compliance commission shall cease to exist at the beginning of the first year that none of the circumstances described in division (A) of section 3306.33 of the Revised Code apply to the district.

Sec. 3306.35. The department of education shall develop a form, which shall be known as the "Formula ACcountability and Transparency" form or "FACT" form. The department annually shall issue and publish on its web site a FACT form for each city, local, and exempted village school district. The form shall compare the payments to the district under each component prescribed by this chapter with the district's deployment of those payments as indicated in its spending plan submitted under section 3306.30 and, if applicable, 3306.31 of the Revised Code. The form shall not be the basis of any actions under section 3306.33 of the Revised Code but shall be a public document to inform parents, students, and taxpayers about the district's spending.

Sec. 3306.40. The board of education of a school district may apply to the superintendent of public instruction for a waiver of any standard or requirement of this chapter, including any applicable expenditure or reporting standard prescribed by rule adopted under section 3306.25 of the Revised Code, or a waiver of any operating standard adopted under division (D)(3) of section 3301.07 of the Revised Code.

The state board of education shall adopt standards for the approval or disapproval of waivers under this section. The state superintendent shall consider every application for a waiver, and shall determine whether to grant or deny a waiver in accordance with the state board's standards. For each waiver granted, the state superintendent shall specify the period of time during which the waiver is in effect, which shall not exceed five years. A district may apply to renew a

waiver.

Sec. 3307.31. (A) Payments by boards of education and governing authorities of community schools to the state teachers retirement system, as provided in sections 3307.29 and 3307.291 of the Revised Code, shall be made from the amount allocated under section 3314.08 , Chapter 3306., or Chapter 3317. of the Revised Code prior to its distribution to the individual school districts or community schools. The amount due from each school district or community school shall be certified by the secretary of the system to the superintendent of public instruction monthly, or at such times as may be determined by the state teachers retirement board.

The superintendent shall deduct, from the amount allocated to each district or community school under section 3314.08 , Chapter 3306., or Chapter 3317. of the Revised Code, the entire amounts due to the system from such district or school upon the certification to the superintendent by the secretary thereof.

The superintendent shall certify to the director of budget and management the amounts thus due the system for payment.

(B) Payments to the state teachers retirement system by a science, technology, engineering, and mathematics school shall be deducted from the amount allocated under section 3326.33 of the Revised Code and shall be made in the same manner as payments by boards of education under this section.

Sec. 3307.64. A disability benefit recipient, notwithstanding section 3319.13 of the Revised Code, shall retain membership in the state teachers retirement system and shall be considered on leave of absence during the first five years following the effective date of a disability benefit.

The state teachers retirement board shall require any disability benefit recipient to submit to an annual medical examination by a physician selected by the board, except that the board may waive the medical examination if the board's physician certifies that the recipient's disability is ongoing. If a disability benefit recipient refuses to submit to a medical examination, the recipient's disability benefit shall be suspended until the recipient withdraws the refusal. If the refusal continues for one year, all the recipient's rights under and to the disability benefit shall be terminated as of the effective date of the original suspension.

After the examination, the examiner shall report and certify to the board whether the disability benefit recipient is no longer physically and mentally incapable of resuming the service from which the recipient was found disabled. If the board concurs in a report by the examining physician that the disability benefit recipient is no longer incapable, the payment of a disability benefit shall be terminated not later than the following thirty-first day of August or upon employment as a teacher prior thereto. If the leave of absence has not expired, the board shall so certify to the disability benefit recipient's last employer before being found disabled that the recipient is no longer physically and mentally

incapable of resuming service that is the same or similar to that from which the recipient was found disabled. If the recipient was under contract at the time the recipient was found disabled, the employer by the first day of the next succeeding year shall restore the recipient to the recipient's previous position and salary or to a position and salary similar thereto, unless the recipient was dismissed or resigned in lieu of dismissal for dishonesty, misfeasance, malfeasance, or conviction of a felony.

A disability benefit shall terminate if the disability benefit recipient becomes employed as a teacher in any public or private school or institution in this state or elsewhere. An individual receiving a disability benefit from the system shall be ineligible for any employment as a teacher and it shall be unlawful for any employer to employ the individual as a teacher. If any employer should employ or reemploy the individual prior to the termination of a disability benefit, the employer shall file notice of employment with the board designating the date of the employment. If the individual should be paid both a disability benefit and also compensation for teaching service for all or any part of the same month, the secretary of the board shall certify to the employer or to the superintendent of public instruction the amount of the disability benefit received by the individual during the employment, which amount shall be deducted from any amount due the employing district under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code or shall be paid by the employer to the annuity and pension reserve fund.

Each disability benefit recipient shall file with the board an annual statement of earnings, current medical information on the recipient's condition, and any other information required in rules adopted by the board. The board may waive the requirement that a disability benefit recipient file an annual statement of earnings or current medical information if the board's physician certifies that the recipient's disability is ongoing.

The board shall annually examine the information submitted by the recipient. If a disability benefit recipient refuses to file the statement or information, the disability benefit shall be suspended until the statement and information are filed. If the refusal continues for one year, the recipient's right to the disability benefit shall be terminated as of the effective date of the original suspension.

A disability benefit also may be terminated by the board at the request of the disability benefit recipient.

If disability retirement under section 3307.63 of the Revised Code is terminated for any reason, the annuity and pension reserves at that time in the annuity and pension reserve fund shall be transferred to the teachers' savings fund and the employers' trust fund, respectively. If the total disability benefit paid was less than the amount of the accumulated contributions of the member transferred to the annuity and pension reserve fund at the time of the member's disability retirement, then the difference shall be transferred from the annuity and pension reserve fund to another fund as required. In determining the amount

of a member's account following the termination of disability retirement for any reason, the total amount paid shall be charged against the member's refundable account.

If a disability allowance paid under section 3307.631 of the Revised Code is terminated for any reason, the reserve on the allowance at that time in the annuity and pension reserve fund shall be transferred from that fund to the employers' trust fund.

If a former disability benefit recipient again becomes a contributor, other than as an other system retirant under section 3307.35 of the Revised Code, to this retirement system, the school employees retirement system, or the public employees retirement system, and completes at least two additional years of service credit, the former disability benefit recipient shall receive credit for the period as a disability benefit recipient.

Sec. 3309.41. (A) A disability benefit recipient shall retain membership status and shall be considered on leave of absence from employment during the first five years following the effective date of a disability benefit, notwithstanding any contrary provisions in Chapter 124. or 3319. of the Revised Code.

(B) The school employees retirement board shall require a disability benefit recipient to undergo an annual medical examination, except that the board may waive the medical examination if the board's physician or physicians certify that the recipient's disability is ongoing. Should any disability benefit recipient refuse to submit to a medical examination, the recipient's disability benefit shall be suspended until withdrawal of the refusal. Should the refusal continue for one year, all the recipient's rights in and to the disability benefit shall be terminated as of the effective date of the original suspension.

(C) On completion of the examination by an examining physician or physicians selected by the board, the physician or physicians shall report and certify to the board whether the disability benefit recipient is no longer physically and mentally incapable of resuming the service from which the recipient was found disabled. If the board concurs in the report that the disability benefit recipient is no longer incapable, the payment of the disability benefit shall be terminated not later than three months after the date of the board's concurrence or upon employment as an employee. If the leave of absence has not expired, the retirement board shall certify to the disability benefit recipient's last employer before being found disabled that the recipient is no longer physically and mentally incapable of resuming service that is the same or similar to that from which the recipient was found disabled. The employer shall restore the recipient to the recipient's previous position and salary or to a position and salary similar thereto not later than the first day of the first month following termination of the disability benefit, unless the recipient was dismissed or resigned in lieu of dismissal for dishonesty, misfeasance, malfeasance, or conviction of a felony.

(D) Each disability benefit recipient shall file with the board an annual statement of earnings, current medical information on the recipient's condition, and any other information required in rules adopted by the board. The board may waive the requirement that a disability benefit recipient file an annual statement of earnings or current medical information on the recipient's condition if the board's physician or physicians certify that the recipient's disability is ongoing.

The board shall annually examine the information submitted by the recipient. If a disability benefit recipient refuses to file the statement or information, the disability benefit shall be suspended until the statement and information are filed. If the refusal continues for one year, the recipient's right to the disability benefit shall be terminated as of the effective date of the original suspension.

(E) If a disability benefit recipient is employed by an employer covered by this chapter, the recipient's disability benefit shall cease.

(F) If disability retirement under section 3309.40 of the Revised Code is terminated for any reason, the annuity and pension reserves at that time in the annuity and pension reserve fund shall be transferred to the employees' savings fund and the employers' trust fund, respectively. If the total disability benefit paid is less than the amount of the accumulated contributions of the member transferred into the annuity and pension reserve fund at the time of the member's disability retirement, the difference shall be transferred from the annuity and pension reserve fund to another fund as may be required. In determining the amount of a member's account following the termination of disability retirement for any reason, the amount paid shall be charged against the member's refundable account.

If a disability allowance paid under section 3309.401 of the Revised Code is terminated for any reason, the reserve on the allowance at that time in the annuity and pension reserve fund shall be transferred from that fund to the employers' trust fund.

The board may terminate a disability benefit at the request of the recipient.

(G) If a disability benefit is terminated and a former disability benefit recipient again becomes a contributor, other than as an other system retirant as defined in section 3309.341 of the Revised Code, to this system, the public employees retirement system, or the state teachers retirement system, and completes an additional two years of service credit after the termination of the disability benefit, the former disability benefit recipient shall be entitled to full service credit for the period as a disability benefit recipient.

(H) If any employer employs any member who is receiving a disability benefit, the employer shall file notice of employment with the retirement board, designating the date of employment. In case the notice is not filed, the total amount of the benefit paid during the period of employment prior to notice shall be paid from amounts allocated under ~~Chapter~~ Chapters 3306. and 3317. of the

Revised Code prior to its distribution to the school district in which the disability benefit recipient was so employed.

Sec. 3309.48. Any employee who left the service of an employer after attaining age sixty-five or over and such employer had failed or refused to deduct and transmit to the school employees retirement system the employee contributions as required by section 3309.47 of the Revised Code during any year for which membership was compulsory as determined by the school employees retirement board, shall be granted service credit without cost, which shall be considered as total service credit for the purposes of meeting the qualifications for service retirement provided by the law in effect on and retroactive to the first eligible retirement date following the date such employment terminated, but shall not be paid until formal application for such allowance on a form provided by the retirement board is received in the office of the retirement system. The total service credit granted under this section shall not exceed ten years for any such employee.

The liability incurred by the retirement board because of the service credit granted under this section shall be determined by the retirement board, the cost of which shall be equal to an amount that is determined by applying the combined employee and employer rates of contribution against the compensation of such employee at the rates of contribution and maximum salary provisions in effect during such employment for each year for which credit is granted, together with interest at the rate to be credited accumulated contributions at retirement, compounded annually from the first day of the month payment was due the retirement system to and including the month of deposit, the total amount of which shall be collected from the employer. Such amounts shall be certified by the retirement board to the superintendent of public instruction, who shall deduct the amount due the system from any funds due the affected school district under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code. The superintendent shall certify to the director of budget and management the amount due the system for payment. The total amount paid shall be deposited into the employers' trust fund, and shall not be considered as accumulated contributions of the employee in the event of ~~his~~ the employee's death or withdrawal of funds.

Sec. 3309.51. (A) Each employer shall pay annually into the employers' trust fund, in such monthly or less frequent installments as the school employees retirement board requires, an amount certified by the school employees retirement board, which shall be as required by Chapter 3309. of the Revised Code.

Payments by school district boards of education to the employers' trust fund of the school employees retirement system may be made from the amounts allocated under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code prior to their distribution to the individual school districts. The amount due from each school district may be certified by the secretary of the system to the superintendent of public instruction monthly, or at such times as is determined by the school employees retirement board.

Payments by governing authorities of community schools to the employers' trust fund of the school employees retirement system shall be made from the amounts allocated under section 3314.08 of the Revised Code prior to their distribution to the individual community schools. The amount due from each community school shall be certified by the secretary of the system to the superintendent of public instruction monthly, or at such times as determined by the school employees retirement board.

Payments by a science, technology, engineering, and mathematics school to the employers' trust fund of the school employees retirement system shall be made from the amounts allocated under section 3326.33 of the Revised Code prior to their distribution to the school. The amount due from a science, technology, engineering, and mathematics school shall be certified by the secretary of the school employees retirement system to the superintendent of public instruction monthly, or at such times as determined by the school employees retirement board.

(B) The superintendent shall deduct from the amount allocated to each community school under section 3314.08 of the Revised Code, to each school district under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code, or to each science, technology, engineering, and mathematics school under section 3326.33 of the Revised Code the entire amounts due to the school employees retirement system from such school or school district upon the certification to the superintendent by the secretary thereof.

(C) Where an employer fails or has failed or refuses to make payments to the employers' trust fund, as provided for under Chapter 3309. of the Revised Code, the secretary of the school employees retirement system may certify to the state superintendent of public instruction, monthly or at such times as is determined by the school employees retirement board, the amount due from such employer, and the superintendent shall deduct from the amount allocated to the employer under section 3314.08 or 3326.33 or Chapter 3306. or 3317. of the Revised Code, as applicable, the entire amounts due to the system from the employer upon the certification to the superintendent by the secretary of the school employees retirement system.

(D) The superintendent shall certify to the director of budget and management the amounts thus due the system for payment."

Between lines 35777 and 35778, insert:

"**Sec. 3310.08.** (A) The amount paid for an eligible student under the educational choice scholarship pilot program shall be the lesser of the tuition of the chartered nonpublic school in which the student is enrolled or the maximum amount prescribed in section 3310.09 of the Revised Code.

(B)(1) The department shall pay to the parent of each eligible student for whom a scholarship is awarded under the program, or to the student if at least eighteen years of age, periodic partial payments of the scholarship.

(2) The department shall proportionately reduce or terminate the payments for any student who withdraws from a chartered nonpublic school prior to the end of the school year.

(C)(1) The department shall deduct five thousand two hundred dollars from the payments made to each school district under ~~Chapter~~ Chapters 3306. and 3317. and, if necessary, sections 321.24 and 323.156 of the Revised Code ~~one of the following amounts, as applicable~~, for each eligible student awarded a scholarship under the educational choice scholarship pilot program who is entitled under section 3313.64 or 3313.65 of the Revised Code to attend school in the district ~~:~~

~~(a) For each scholarship student enrolled in kindergarten, two thousand seven hundred dollars;~~

~~(b) For each scholarship student enrolled in grades one to twelve, five thousand two hundred dollars~~.

The amount deducted under division (C)(1) of this section funds scholarships for students under both the educational choice scholarship pilot program and the pilot project scholarship program under sections 3313.974 to 3313.979 of the Revised Code.

(2) If the department reduces or terminates payments to a parent or a student, as prescribed in division (B)(2) of this section, and the student enrolls in the schools of the student's resident district or in a community school, established under Chapter 3314. of the Revised Code, before the end of the school year, the department shall proportionally restore to the resident district the amount deducted for that student under division (C)(1) of this section.

(D) In the case of any school district from which a deduction is made under division (C) of this section, the department shall disclose on the district's SF-3 form, or any successor to that form used to calculate a district's state funding for operating expenses, a comparison of the following:

(1) The district's ~~state base-cost~~ state share of the adequacy amount payment, as calculated under ~~division (A)(1) of~~ section ~~3317.022~~ 3306.13 of the Revised Code ~~prior to making the adjustments under divisions (A)(2) and (3) of that section,~~ with the scholarship students included in the district's formula ADM;

(2) What the district's state ~~base-cost~~ share of the adequacy amount payment would have been, as calculated under ~~division (A)(1) of~~ that section ~~prior to making the adjustments under divisions (A)(2) and (3) of that section,~~ if the scholarship students were not included in the district's formula ADM.

This comparison shall display both the aggregate difference between the amounts described in divisions (D)(1) and (2) of this section, and the quotient of that aggregate difference divided by the number of eligible students for whom deductions are made under division (C) of this section.

Sec. 3310.09. ~~(A)~~ The maximum amount awarded to an eligible student ~~in fiscal year 2007~~ under the educational choice scholarship pilot program shall be as follows:

~~(1)~~ (A) For grades kindergarten through eight, four thousand ~~two~~ five hundred ~~fifty~~ dollars;

~~(2)~~ (B) For grades nine through twelve, five thousand three hundred dollars.

~~(B) In fiscal year 2008 and in each fiscal year thereafter, the maximum amount awarded under the program shall be the applicable maximum amount awarded in the previous fiscal year increased by the same percentage by which the general assembly increased the formula amount, as defined in section 3317.02 of the Revised Code, from the previous fiscal year.~~"

Between lines 35839 and 35840, insert:

"**Sec. 3310.41.** (A) As used in this section:

(1) "Alternative public provider" means either of the following providers that agrees to enroll a child in the provider's special education program to implement the child's individualized education program and to which the child's parent owes fees for the services provided to the child:

(a) A school district that is not the school district in which the child is entitled to attend school;

(b) A public entity other than a school district.

(2) "Entitled to attend school" means entitled to attend school in a school district under section 3313.64 or 3313.65 of the Revised Code.

(3) "Formula ADM" and "category six special education ADM" have the same meanings as in section 3317.02 of the Revised Code.

(4) "Preschool child with a disability" and "individualized education program" have the same meanings as in section 3323.01 of the Revised Code.

(5) "Parent" has the same meaning as in section 3313.64 of the Revised Code, except that "parent" does not mean a parent whose custodial rights have been terminated.

(6) "Preschool scholarship ADM" means the number of preschool children with disabilities reported under division (B)(3)(h) of section 3317.03 of the Revised Code.

(7) "Qualified special education child" is a child for whom all of the following conditions apply:

(a) The school district in which the child is entitled to attend school has identified the child as autistic. A child who has been identified as having a "pervasive developmental disorder - not otherwise specified (PPD-NOS)" shall be considered to be an autistic child for purposes of this section.

(b) The school district in which the child is entitled to attend school has developed an individualized education program under Chapter 3323. of the Revised Code for the child.

(c) The child either:

(i) Was enrolled in the school district in which the child is entitled to attend school in any grade from preschool through twelve in the school year prior to the year in which a scholarship under this section is first sought for the child; or

(ii) Is eligible to enter school in any grade preschool through twelve in the school district in which the child is entitled to attend school in the school year in which a scholarship under this section is first sought for the child.

(8) "Registered private provider" means a nonpublic school or other nonpublic entity that has been approved by the department of education to participate in the program established under this section.

(9) "Special education program" means a school or facility that provides special education and related services to children with disabilities.

(B) There is hereby established the autism scholarship program. Under the program, the department of education shall pay a scholarship to the parent of each qualified special education child upon application of that parent pursuant to procedures and deadlines established by rule of the state board of education. Each scholarship shall be used only to pay tuition for the child on whose behalf the scholarship is awarded to attend a special education program that implements the child's individualized education program and that is operated by an alternative public provider or by a registered private provider. Each scholarship shall be in an amount not to exceed the lesser of the tuition charged for the child by the special education program or twenty thousand dollars. The purpose of the scholarship is to permit the parent of a qualified special education child the choice to send the child to a special education program, instead of the one operated by or for the school district in which the child is entitled to attend school, to receive the services prescribed in the child's individualized education program once the individualized education program is finalized. A scholarship under this section shall not be awarded to the parent of a child while the child's individualized education program is being developed by the school district in which the child is entitled to attend school, or while any administrative or judicial mediation or proceedings with respect to the content of the child's individualized education program are pending. A scholarship under this section shall not be used for a child to attend a public special education program that operates under a contract, compact, or other bilateral agreement between the school district in which the child is entitled to attend school and another school district or other public provider, or for a child to attend a community school established under Chapter 3314. of the Revised Code. However, nothing in this section or in any rule adopted by the state board shall prohibit a parent whose child attends a public special education program under a contract, compact, or

other bilateral agreement, or a parent whose child attends a community school, from applying for and accepting a scholarship under this section so that the parent may withdraw the child from that program or community school and use the scholarship for the child to attend a special education program for which the parent is required to pay for services for the child. A child attending a special education program with a scholarship under this section shall continue to be entitled to transportation to and from that program in the manner prescribed by law.

(C)(1) As prescribed in divisions (A)(2)(h), (B)(3)(g), and (B)(10) of section 3317.03 of the Revised Code, a child who is not a preschool child with a disability for whom a scholarship is awarded under this section shall be counted in the formula ADM and the category six special education ADM of the district in which the child is entitled to attend school and not in the formula ADM and the category six special education ADM of any other school district. As prescribed in divisions (B)(3)(h) and (B)(10) of section 3317.03 of the Revised Code, a child who is a preschool child with a disability for whom a scholarship is awarded under this section shall be counted in the preschool scholarship ADM and category six special education ADM of the school district in which the child is entitled to attend school and not in the preschool scholarship ADM or category six special education ADM of any other school district.

(2) In each fiscal year, the department shall deduct from the amounts paid to each school district under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code, and, if necessary, sections 321.24 and 323.156 of the Revised Code, the aggregate amount of scholarships awarded under this section for qualified special education children included in the formula ADM, or preschool scholarship ADM, and in the category six special education ADM of that school district as provided in division (C)(1) of this section. ~~The~~ When computing the school district's instructional services support under section 3306.05 of the Revised Code, the department shall add the district's preschool scholarship ADM to the district's formula ADM.

The scholarships deducted shall be considered as an approved special education and related services expense ~~for the purpose~~ of the school ~~district's compliance with division (C)(5) of section 3317.022 of the Revised Code~~ district.

(3) From time to time, the department shall make a payment to the parent of each qualified special education child for whom a scholarship has been awarded under this section. The scholarship amount shall be proportionately reduced in the case of any such child who is not enrolled in the special education program for which a scholarship was awarded under this section for the entire school year. The department shall make no payments to the parent of a child while any administrative or judicial mediation or proceedings with respect to the content of the child's individualized education program are pending.

(D) A scholarship shall not be paid to a parent for payment of tuition owed to a nonpublic entity unless that entity is a registered private provider. The

department shall approve entities that meet the standards established by rule of the state board for the program established under this section.

(E) The state board shall adopt rules under Chapter 119. of the Revised Code prescribing procedures necessary to implement this section, including, but not limited to, procedures and deadlines for parents to apply for scholarships, standards for registered private providers, and procedures for approval of entities as registered private providers."

Between lines 36389 and 36390, insert:

"**Sec. 3311.06.** (A) As used in this section:

(1) "Annexation" and "annexed" mean annexation for municipal purposes under sections 709.02 to 709.37 of the Revised Code.

(2) "Annexed territory" means territory that has been annexed for municipal purposes to a city served by an urban school district, but on September 24, 1986, has not been transferred to the urban school district.

(3) "Urban school district" means a city school district with an average daily membership for the 1985-1986 school year in excess of twenty thousand that is the school district of a city that contains annexed territory.

(4) "Annexation agreement" means an agreement entered into under division (F) of this section that has been approved by the state board of education or an agreement entered into prior to September 24, 1986, that meets the requirements of division (F) of this section and has been filed with the state board.

(B) The territory included within the boundaries of a city, local, exempted village, or joint vocational school district shall be contiguous except where a natural island forms an integral part of the district, where the state board of education authorizes a noncontiguous school district, as provided in division (E)(1) of this section, or where a local school district is created pursuant to section 3311.26 of the Revised Code from one or more local school districts, one of which has entered into an agreement under section 3313.42 of the Revised Code.

(C)(1) When all of the territory of a school district is annexed to a city or village, such territory thereby becomes a part of the city school district or the school district of which the village is a part, and the legal title to school property in such territory for school purposes shall be vested in the board of education of the city school district or the school district of which the village is a part.

(2) When the territory so annexed to a city or village comprises part but not all of the territory of a school district, the said territory becomes part of the city school district or the school district of which the village is a part only upon approval by the state board of education, unless the district in which the territory is located is a party to an annexation agreement with the city school district.

Any urban school district that has not entered into an annexation

agreement with any other school district whose territory would be affected by any transfer under this division and that desires to negotiate the terms of transfer with any such district shall conduct any negotiations under division (F) of this section as part of entering into an annexation agreement with such a district.

Any school district, except an urban school district, desiring state board approval of a transfer under this division shall make a good faith effort to negotiate the terms of transfer with any other school district whose territory would be affected by the transfer. Before the state board may approve any transfer of territory to a school district, except an urban school district, under this section, it must receive the following:

(a) A resolution requesting approval of the transfer, passed by at least one of the school districts whose territory would be affected by the transfer;

(b) Evidence determined to be sufficient by the state board to show that good faith negotiations have taken place or that the district requesting the transfer has made a good faith effort to hold such negotiations;

(c) If any negotiations took place, a statement signed by all boards that participated in the negotiations, listing the terms agreed on and the points on which no agreement could be reached.

(D) The state board of education shall adopt rules governing negotiations held by any school district except an urban school district pursuant to division (C)(2) of this section. The rules shall encourage the realization of the following goals:

(1) A discussion by the negotiating districts of the present and future educational needs of the pupils in each district;

(2) The educational, financial, and territorial stability of each district affected by the transfer;

(3) The assurance of appropriate educational programs, services, and opportunities for all the pupils in each participating district, and adequate planning for the facilities needed to provide these programs, services, and opportunities.

Districts involved in negotiations under such rules may agree to share revenues from the property included in the territory to be transferred, establish cooperative programs between the participating districts, and establish mechanisms for the settlement of any future boundary disputes.

(E)(1) If territory annexed after September 24, 1986, is part of a school district that is a party to an annexation agreement with the urban school district serving the annexing city, the transfer of such territory shall be governed by the agreement. If the agreement does not specify how the territory is to be dealt with, the boards of education of the district in which the territory is located and the urban school district shall negotiate with regard to the transfer of the territory which shall be transferred to the urban school district unless, not later than

ninety days after the effective date of municipal annexation, the boards of education of both districts, by resolution adopted by a majority of the members of each board, agree that the territory will not be transferred and so inform the state board of education.

If territory is transferred under this division the transfer shall take effect on the first day of July occurring not sooner than ninety-one days after the effective date of the municipal annexation. Territory transferred under this division need not be contiguous to the district to which it is transferred.

(2) Territory annexed prior to September 24, 1986, by a city served by an urban school district shall not be subject to transfer under this section if the district in which the territory is located is a party to an annexation agreement or becomes a party to such an agreement not later than ninety days after September 24, 1986. If the district does not become a party to an annexation agreement within the ninety-day period, transfer of territory shall be governed by division (C)(2) of this section. If the district subsequently becomes a party to an agreement, territory annexed prior to September 24, 1986, other than territory annexed under division (C)(2) of this section prior to the effective date of the agreement, shall not be subject to transfer under this section.

(F) An urban school district may enter into a comprehensive agreement with one or more school districts under which transfers of territory annexed by the city served by the urban school district after September 24, 1986, shall be governed by the agreement. Such agreement must provide for the establishment of a cooperative education program under section 3313.842 of the Revised Code in which all the parties to the agreement are participants and must be approved by resolution of the majority of the members of each of the boards of education of the school districts that are parties to it. An agreement may provide for interdistrict payments based on local revenue growth resulting from development in any territory annexed by the city served by the urban school district.

An agreement entered into under this division may be altered, modified, or terminated only by agreement, by resolution approved by the majority of the members of each board of education, of all school districts that are parties to the agreement, except that with regard to any provision that affects only the urban school district and one of the other districts that is a party, that district and the urban district may modify or alter the agreement by resolution approved by the majority of the members of the board of that district and the urban district. Alterations, modifications, terminations, and extensions of an agreement entered into under this division do not require approval of the state board of education, but shall be filed with the board after approval and execution by the parties.

If an agreement provides for interdistrict payments, each party to the agreement, except any school district specifically exempted by the agreement, shall agree to make an annual payment to the urban school district with respect to any of its territory that is annexed territory in an amount not to exceed the amount certified for that year under former section 3317.029 of the Revised Code as that section existed prior to July 1, 1998; except that such limitation of

annual payments to amounts certified under former section 3317.029 of the Revised Code does not apply to agreements or extensions of agreements entered into on or after June 1, 1992, unless such limitation is expressly agreed to by the parties. The agreement may provide that all or any part of the payment shall be waived if the urban school district receives its payment with respect to such annexed territory under former section 3317.029 of the Revised Code and that all or any part of such payment may be waived if the urban school district does not receive its payment with respect to such annexed territory under such section.

With respect to territory that is transferred to the urban school district after September 24, 1986, the agreement may provide for annual payments by the urban school district to the school district whose territory is transferred to the urban school district subsequent to annexation by the city served by the urban school district.

(G) In the event territory is transferred from one school district to another under this section, an equitable division of the funds and indebtedness between the districts involved shall be made under the supervision of the state board of education and that board's decision shall be final. Such division shall not include funds payable to or received by a school district under Chapter 3306. or 3317. of the Revised Code or payable to or received by a school district from the United States or any department or agency thereof. In the event such transferred territory includes real property owned by a school district, the state board of education, as part of such division of funds and indebtedness, shall determine the true value in money of such real property and all buildings or other improvements thereon. The board of education of the school district receiving such territory shall forthwith pay to the board of education of the school district losing such territory such true value in money of such real property, buildings, and improvements less such percentage of the true value in money of each school building located on such real property as is represented by the ratio of the total enrollment in day classes of the pupils residing in the territory transferred enrolled at such school building in the school year in which such annexation proceedings were commenced to the total enrollment in day classes of all pupils residing in the school district losing such territory enrolled at such school building in such school year. The school district receiving such payment shall place the proceeds thereof in its sinking fund or bond retirement fund.

(H) The state board of education, before approving such transfer of territory, shall determine that such payment has been made and shall apportion to the acquiring school district such percentage of the indebtedness of the school district losing the territory as is represented by the ratio that the assessed valuation of the territory transferred bears to the total assessed valuation of the entire school district losing the territory as of the effective date of the transfer, provided that in ascertaining the indebtedness of the school district losing the territory the state board of education shall disregard such percentage of the par value of the outstanding and unpaid bonds and notes of said school district issued for construction or improvement of the school building or buildings for which payment was made by the acquiring district as is equal to the percentage

by which the true value in money of such building or buildings was reduced in fixing the amount of said payment.

(I) No transfer of school district territory or division of funds and indebtedness incident thereto, pursuant to the annexation of territory to a city or village shall be completed in any other manner than that prescribed by this section regardless of the date of the commencement of such annexation proceedings, and this section applies to all proceedings for such transfers and divisions of funds and indebtedness pending or commenced on or after October 2, 1959.

Sec. 3311.19. (A) The management and control of a joint vocational school district shall be vested in the joint vocational school district board of education. Where a joint vocational school district is composed only of two or more local school districts located in one county, or when all the participating districts are in one county and the boards of such participating districts so choose, the educational service center governing board of the county in which the joint vocational school district is located shall serve as the joint vocational school district board of education. Where a joint vocational school district is composed of local school districts of more than one county, or of any combination of city, local, or exempted village school districts or educational service centers, unless administration by the educational service center governing board has been chosen by all the participating districts in one county pursuant to this section, the board of education of the joint vocational school district shall be composed of one or more persons who are members of the boards of education from each of the city or exempted village school districts or members of the educational service centers' governing boards affected to be appointed by the boards of education or governing boards of such school districts and educational service centers. In such joint vocational school districts the number and terms of members of the joint vocational school district board of education and the allocation of a given number of members to each of the city and exempted village districts and educational service centers shall be determined in the plan for such district, provided that each such joint vocational school district board of education shall be composed of an odd number of members.

(B) Notwithstanding division (A) of this section, a governing board of an educational service center that has members of its governing board serving on a joint vocational school district board of education may make a request to the joint vocational district board that the joint vocational school district plan be revised to provide for one or more members of boards of education of local school districts that are within the territory of the educational service district and within the joint vocational school district to serve in the place of or in addition to its educational service center governing board members. If agreement is obtained among a majority of the boards of education and governing boards that have a member serving on the joint vocational school district board of education and among a majority of the local school district boards of education included in the district and located within the territory of the educational service center whose

board requests the substitution or addition, the state board of education may revise the joint vocational school district plan to conform with such agreement.

(C) If the board of education of any school district or educational service center governing board included within a joint vocational district that has had its board or governing board membership revised under division (B) of this section requests the joint vocational school district board to submit to the state board of education a revised plan under which one or more joint vocational board members chosen in accordance with a plan revised under such division would again be chosen in the manner prescribed by division (A) of this section, the joint vocational board shall submit the revised plan to the state board of education, provided the plan is agreed to by a majority of the boards of education represented on the joint vocational board, a majority of the local school district boards included within the joint vocational district, and each educational service center governing board affected by such plan. The state board of education may revise the joint vocational school district plan to conform with the revised plan.

(D) The vocational schools in such joint vocational school district shall be available to all youth of school age within the joint vocational school district subject to the rules adopted by the joint vocational school district board of education in regard to the standards requisite to admission. A joint vocational school district board of education shall have the same powers, duties, and authority for the management and operation of such joint vocational school district as is granted by law, except by this chapter and Chapters 124., 3306., 3317., 3323., and 3331. of the Revised Code, to a board of education of a city school district, and shall be subject to all the provisions of law that apply to a city school district, except such provisions in this chapter and Chapters 124., 3306., 3317., 3323., and 3331. of the Revised Code.

(E) Where a governing board of an educational service center has been designated to serve as the joint vocational school district board of education, the educational service center superintendent shall be the executive officer for the joint vocational school district, and the governing board may provide for additional compensation to be paid to the educational service center superintendent by the joint vocational school district, but the educational service center superintendent shall have no continuing tenure other than that of educational service center superintendent. The superintendent of schools of a joint vocational school district shall exercise the duties and authority vested by law in a superintendent of schools pertaining to the operation of a school district and the employment and supervision of its personnel. The joint vocational school district board of education shall appoint a treasurer of the joint vocational school district who shall be the fiscal officer for such district and who shall have all the powers, duties, and authority vested by law in a treasurer of a board of education. Where a governing board of an educational service center has been designated to serve as the joint vocational school district board of education, such board may appoint the educational service center superintendent as the treasurer of the joint vocational school district.

(F) Each member of a joint vocational school district board of education may be paid such compensation as the board provides by resolution, but it shall not exceed one hundred twenty-five dollars per member for each meeting attended plus mileage, at the rate per mile provided by resolution of the board, to and from meetings of the board.

The board may provide by resolution for the deduction of amounts payable for benefits under section 3313.202 of the Revised Code.

Each member of a joint vocational school district board may be paid such compensation as the board provides by resolution for attendance at an approved training program, provided that such compensation shall not exceed sixty dollars per day for attendance at a training program three hours or fewer in length and one hundred twenty-five dollars a day for attendance at a training program longer than three hours in length. However, no board member shall be compensated for the same training program under this section and section 3313.12 of the Revised Code.

Sec. 3311.21. (A) In addition to the resolutions authorized by sections 5705.194, 5705.199, 5705.21, 5705.212, and 5705.213 of the Revised Code, the board of education of a joint vocational or cooperative education school district by a vote of two-thirds of its full membership may at any time adopt a resolution declaring the necessity to levy a tax in excess of the ten-mill limitation for a period not to exceed ten years to provide funds for any one or more of the following purposes, which may be stated in the following manner in such resolution, the ballot, and the notice of election: purchasing a site or enlargement thereof and for the erection and equipment of buildings; for the purpose of enlarging, improving, or rebuilding thereof; for the purpose of providing for the current expenses of the joint vocational or cooperative school district; or for a continuing period for the purpose of providing for the current expenses of the joint vocational or cooperative education school district. The resolution shall specify the amount of the proposed rate and, if a renewal, whether the levy is to renew all, or a portion of, the existing levy, and shall specify the first year in which the levy will be imposed. If the levy provides for but is not limited to current expenses, the resolution shall apportion the annual rate of the levy between current expenses and the other purpose or purposes. Such apportionment may but need not be the same for each year of the levy, but the respective portions of the rate actually levied each year for current expenses and the other purpose or purposes shall be limited by such apportionment. The portion of any such rate actually levied for current expenses of a joint vocational or cooperative education school district shall be used in applying division (A)(1) of section 3306.01 and division (A) of section 3317.01 of the Revised Code. The portion of any such rate not apportioned to the current expenses of a joint vocational or cooperative education school district shall be used in applying division (B) of this section. On the adoption of such resolution, the joint vocational or cooperative education school district board of education shall certify the resolution to the board of elections of the county containing the most populous portion of the district, which board shall receive resolutions for filing

and send them to the boards of elections of each county in which territory of the district is located, furnish all ballots for the election as provided in section 3505.071 of the Revised Code, and prepare the election notice; and the board of elections of each county in which the territory of such district is located shall make the other necessary arrangements for the submission of the question to the electors of the joint vocational or cooperative education school district at the next primary or general election occurring not less than seventy-five days after the resolution was received from the joint vocational or cooperative education school district board of education, or at a special election to be held at a time designated by the district board of education consistent with the requirements of section 3501.01 of the Revised Code, which date shall not be earlier than seventy-five days after the adoption and certification of the resolution.

The board of elections of the county or counties in which territory of the joint vocational or cooperative education school district is located shall cause to be published in one or more newspapers of general circulation in that district an advertisement of the proposed tax levy question together with a statement of the amount of the proposed levy once a week for two consecutive weeks, prior to the election at which the question is to appear on the ballot, and, if the board of elections operates and maintains a web site, the board also shall post a similar advertisement on its web site for thirty days prior to that election.

If a majority of the electors voting on the question of levying such tax vote in favor of the levy, the joint vocational or cooperative education school district board of education shall annually make the levy within the district at the rate specified in the resolution and ballot or at any lesser rate, and the county auditor of each affected county shall annually place the levy on the tax list and duplicate of each school district in the county having territory in the joint vocational or cooperative education school district. The taxes realized from the levy shall be collected at the same time and in the same manner as other taxes on the duplicate, and the taxes, when collected, shall be paid to the treasurer of the joint vocational or cooperative education school district and deposited to a special fund, which shall be established by the joint vocational or cooperative education school district board of education for all revenue derived from any tax levied pursuant to this section and for the proceeds of anticipation notes which shall be deposited in such fund. After the approval of the levy, the joint vocational or cooperative education school district board of education may anticipate a fraction of the proceeds of the levy and from time to time, during the life of the levy, but in any year prior to the time when the tax collection from the levy so anticipated can be made for that year, issue anticipation notes in an amount not exceeding fifty per cent of the estimated proceeds of the levy to be collected in each year up to a period of five years after the date of the issuance of the notes, less an amount equal to the proceeds of the levy obligated for each year by the issuance of anticipation notes, provided that the total amount maturing in any one year shall not exceed fifty per cent of the anticipated proceeds of the levy for that year. Each issue of notes shall be sold as provided in Chapter 133. of the Revised Code, and shall, except for such limitation that the total amount of such notes maturing in any one year shall not exceed fifty per

cent of the anticipated proceeds of the levy for that year, mature serially in substantially equal installments, during each year over a period not to exceed five years after their issuance.

(B) Prior to the application of section 319.301 of the Revised Code, the rate of a levy that is limited to, or to the extent that it is apportioned to, purposes other than current expenses shall be reduced in the same proportion in which the district's total valuation increases during the life of the levy because of additions to such valuation that have resulted from improvements added to the tax list and duplicate.

(C) The form of ballot cast at an election under division (A) of this section shall be as prescribed by section 5705.25 of the Revised Code.

Sec. 3311.29. (A) Except as provided under division (B) or (C) of this section, no school district shall be created and no school district shall exist which does not maintain within such district public schools consisting of grades kindergarten through twelve and any such existing school district not maintaining such schools shall be dissolved and its territory joined with another school district or districts by order of the state board of education if no agreement is made among the surrounding districts voluntarily, which order shall provide an equitable division of the funds, property, and indebtedness of the dissolved school district among the districts receiving its territory. The state board of education may authorize exceptions to school districts where topography, sparsity of population, and other factors make compliance impracticable.

The superintendent of public instruction is without authority to distribute funds under ~~sections 3317.022 to 3317.025~~ Chapter 3306. or 3317. of the Revised Code to any school district that does not maintain schools with grades kindergarten through twelve and to which no exception has been granted by the state board of education.

(B) Division (A) of this section does not apply to any joint vocational school district or any cooperative education school district established pursuant to divisions (A) to (C) of section 3311.52 of the Revised Code.

(C)(1)(a) Except as provided in division (C)(3) of this section, division (A) of this section does not apply to any cooperative education school district established pursuant to section 3311.521 of the Revised Code nor to the city, exempted village, or local school districts that have territory within such a cooperative education district.

(b) The cooperative district and each city, exempted village, or local district with territory within the cooperative district shall maintain the grades that the resolution adopted or amended pursuant to section 3311.521 of the Revised Code specifies.

(2) Any cooperative education school district described under division (C)(1) of this section that fails to maintain the grades it is specified to operate

shall be dissolved by order of the state board of education unless prior to such an order the cooperative district is dissolved pursuant to section 3311.54 of the Revised Code. Any such order shall provide for the equitable adjustment, division, and disposition of the assets, property, debts, and obligations of the district among each city, local, and exempted village school district whose territory is in the cooperative district and shall provide that the tax duplicate of each city, local, and exempted village school district whose territory is in the cooperative district shall be bound for and assume its share of the outstanding indebtedness of the cooperative district.

(3) If any city, exempted village, or local school district described under division (C)(1) of this section fails to maintain the grades it is specified to operate the cooperative district within which it has territory shall be dissolved in accordance with division (C)(2) of this section and upon that dissolution any city, exempted village, or local district failing to maintain grades kindergarten through twelve shall be subject to the provisions for dissolution in division (A) of this section.

Sec. 3311.52. A cooperative education school district may be established pursuant to divisions (A) to (C) of this section or pursuant to section 3311.521 of the Revised Code.

(A) A cooperative education school district may be established upon the adoption of identical resolutions within a sixty-day period by a majority of the members of the board of education of each city, local, and exempted village school district that is within the territory of a county school financing district.

A copy of each resolution shall be filed with the governing board ~~of education~~ of the educational service center which created the county school financing district. Upon the filing of the last such resolution, the educational service center governing board shall immediately notify each board of education filing such a resolution of the date on which the last resolution was filed.

Ten days after the date on which the last resolution is filed with the educational service center governing board or ten days after the last of any notices required under division (C) of this section is received by the educational service center governing board, whichever is later, the county school financing district shall be dissolved and the new cooperative education school district and the board of education of the cooperative education school district shall be established.

On the date that any county school financing district is dissolved and a cooperative education school district is established under this section, each of the following shall apply:

(1) The territory of the dissolved district becomes the territory of the new district.

(2) Any outstanding tax levy in force in the dissolved district shall be spread over the territory of the new district and shall remain in force in the new

district until the levy expires or is renewed.

(3) Any funds of the dissolved district shall be paid over in full to the new district.

(4) Any net indebtedness of the dissolved district shall be assumed in full by the new district. As used in division (A)(4) of this section, "net indebtedness" means the difference between the par value of the outstanding and unpaid bonds and notes of the dissolved district and the amount held in the sinking fund and other indebtedness retirement funds for their redemption.

When a county school financing district is dissolved and a cooperative education school district is established under this section, the governing board of the educational service center that created the dissolved district shall give written notice of this fact to the county auditor and the board of elections of each county having any territory in the new district.

(B) The resolutions adopted under division (A) of this section shall include all of the following provisions:

(1) Provision that the governing board of the educational service center which created the county school financing district shall be the board of education of the cooperative education school district, except that provision may be made for the composition, selection, and terms of office of an alternative board of education of the cooperative district, which board shall include at least one member selected from or by the members of the board of education of each city, local, and exempted village school district and at least one member selected from or by the members of the educational service center governing board within the territory of the cooperative district;

(2) Provision that the treasurer and superintendent of the educational service center which created the county school financing district shall be the treasurer and superintendent of the cooperative education school district, except that provision may be made for the selection of a treasurer or superintendent of the cooperative district other than the treasurer or superintendent of the educational service center, which provision shall require one of the following:

(a) The selection of one person as both the treasurer and superintendent of the cooperative district, which provision may require such person to be the treasurer or superintendent of any city, local, or exempted village school district or educational service center within the territory of the cooperative district;

(b) The selection of one person as the treasurer and another person as the superintendent of the cooperative district, which provision may require either one or both such persons to be treasurers or superintendents of any city, local, or exempted village school districts or educational service center within the territory of the cooperative district.

(3) A statement of the educational program the board of education of the cooperative education school district will conduct, including but not necessarily limited to the type of educational program, the grade levels proposed for

inclusion in the program, the timetable for commencing operation of the program, and the facilities proposed to be used or constructed to be used by the program;

(4) A statement of the annual amount, or the method for determining that amount, of funds or services or facilities that each city, local, and exempted village school district within the territory of the cooperative district is required to pay to or provide for the use of the board of education of the cooperative education school district;

(5) Provision for adopting amendments to the provisions of divisions (B)(2) to (4) of this section.

(C) If the resolutions adopted under division (A) of this section provide for a board of education of the cooperative education school district that is not the governing board of the educational service center that created the county school financing district, each board of education of each city, local, or exempted village school district and the governing board of the educational service center within the territory of the cooperative district shall, within thirty days after the date on which the last resolution is filed with the educational service center governing board under division (A) of this section, select one or more members of the board of education of the cooperative district as provided in the resolutions filed with the educational service center governing board. Each such board shall immediately notify the educational ~~services~~ service center governing board of each such selection.

(D) Except for the powers and duties in this chapter and Chapters 124., 3306., 3317., 3318., 3323., and 3331. of the Revised Code, a cooperative education school district established pursuant to divisions (A) to (C) of this section or pursuant to section 3311.521 of the Revised Code has all the powers of a city school district and its board of education has all the powers and duties of a board of education of a city school district with respect to the educational program specified in the resolutions adopted under division (A) of this section. All laws applicable to a city school district or the board of education or the members of the board of education of a city school district, except such laws in this chapter and Chapters 124., 3306., 3317., 3318., 3323., and 3331. of the Revised Code, are applicable to a cooperative education school district and its board.

The treasurer and superintendent of a cooperative education school district shall have the same respective duties and powers as a treasurer and superintendent of a city school district, except for any powers and duties in this chapter and Chapters 124., 3306., 3317., 3318., 3323., and 3331. of the Revised Code.

(E) For purposes of this title, any student included in the formula ADM certified for any city, exempted village, or local school district under section 3317.03 of the Revised Code by virtue of being counted, in whole or in part, in the average daily membership of a cooperative education school district under

division (A)(2)(f) of that section shall be construed to be enrolled both in that city, exempted village, or ~~village~~ local school district and in that cooperative education school district. This division shall not be construed to mean that any such individual student may be counted more than once for purposes of determining the average daily membership of any one school district.

Sec. 3311.76. (A) Notwithstanding Chapters 3302. , 3306., and 3317. of the Revised Code, upon written request of the district chief executive officer the state superintendent of public instruction may exempt a municipal school district from any rules adopted under Title XXXIII of the Revised Code except for any rule adopted under Chapter 3307. or 3309., sections 3319.07 to 3319.21, or Chapter 3323. of the Revised Code, and may authorize a municipal school district to apply funds allocated to the district under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code, except those specifically allocated to purposes other than current expenses, to the payment of debt charges on the district's public obligations. The request must specify the provisions from which the district is seeking exemption or the application requested and the reasons for the request. The state superintendent shall approve the request if the superintendent finds the requested exemption or application is in the best interest of the district's students. The superintendent shall approve or disapprove the request within thirty days and shall notify the district board and the district chief executive officer of approval or reasons for disapproving the request.

(B) In addition to the rights, authority, and duties conferred upon a municipal school district and its board of education in sections 3311.71 to 3311.76 of the Revised Code, a municipal school district and its board shall have all of the rights, authority, and duties conferred upon a city school district and its board by law that are not inconsistent with sections 3311.71 to 3311.76 of the Revised Code."

Between lines 36492 and 36493, insert:

"**Sec. 3313.483.** (A) A board of education, upon the adoption of a resolution stating that it may be financially unable to open on the day or to remain open for instruction on all days set forth in its adopted school calendar and pay all obligated expenses, or the superintendent of public instruction upon the issuance of written notification under division (B) of section 3313.489 of the Revised Code, shall request the auditor of state to determine whether such situation exists. The auditor shall deliver a copy of each request from a board of education to the superintendent of public instruction. In the case of a school district not under a fiscal emergency pursuant to Chapter 3316. of the Revised Code the auditor shall not issue a finding under this section until written notification is received from the superintendent pursuant to section 3313.487 of the Revised Code.

(B) If the auditor of state finds that the board of education has attempted to avail itself to the fullest extent authorized by law of all lawful revenue sources available to it except those authorized by section 5705.21 of the Revised Code, the auditor shall certify that finding to the superintendent of public instruction

and the state board of education and shall certify the operating deficit the district will have at the end of the fiscal year if it commences or continues operating its instructional program in accordance with its adopted school calendar and pays all obligated expenses.

(C) No board of education may delay the opening of its schools or close its schools for financial reasons. Upon the request of the superintendent of public instruction, the attorney general shall seek injunctive relief and any other relief required to enforce this prohibition in the court of common pleas of Franklin county. The court of common pleas of Franklin county has exclusive original jurisdiction over all such actions.

(D) Upon the receipt of any certification of an operating deficit from the auditor of state, a board of education shall make application to a commercial bank, underwriter, or other prospective lender or purchaser of its obligations for a loan in an amount sufficient to enable the district to open or remain open for instruction on all days set forth in its adopted school calendar but not to exceed the amount of the deficit certified.

(E)(1) Any board of education that has applied for and been denied a loan from a commercial bank, underwriter, or other prospective lender or purchaser of its obligations pursuant to division (D) of this section shall submit to the superintendent of public instruction a plan for implementing reductions in the school district's budget; apply for a loan from a commercial bank, underwriter, or other prospective lender or purchaser of its obligations in an amount not to exceed its certified deficit; and provide the superintendent such information as the superintendent requires concerning its application for such a loan. The board of education of a school district declared to be under a fiscal watch pursuant to division (A) of section 3316.03 of the Revised Code may, upon approval of the superintendent, utilize the financial plan required by section 3316.04 of the Revised Code, or applicable parts thereof, as the plan required under this division. The board of education of a school district declared to be under a fiscal emergency pursuant to division (B) of section 3316.03 of the Revised Code may utilize the financial recovery plan for the district, or applicable parts thereof, as the plan required under this division. Except for the plan of a school district under a fiscal emergency, the superintendent shall evaluate, make recommendations concerning, and approve or disapprove each plan. When a plan is submitted, the superintendent shall immediately notify the members of the general assembly whose legislative districts include any or all of the territory of the school district submitting the plan.

(2) The superintendent shall submit to the controlling board a copy of each plan the superintendent approves, or each plan submitted by a district under a fiscal emergency pursuant to division (B) of section 3316.03 of the Revised Code, and the general terms of each proposed loan, and shall make recommendations regarding the plan and whether a proposed loan to the board of education should be approved for payment as provided in division (E)(3) of this section. The controlling board shall approve or disapprove the plan and the

proposed loan presented to it by the superintendent. In the case of a district not under a fiscal emergency pursuant to division (B) of section 3316.03 of the Revised Code, the controlling board may require a board of education to implement the superintendent's recommendations for expenditure reductions or impose other requirements. Loan repayments shall be in accordance with a schedule approved by the superintendent, except that the principal amount of the loan shall be payable in monthly, semiannual, or annual installments of principal and interest that are substantially equal principal and interest installments. Except as otherwise provided in division (E)(2) of this section, repayment shall be made no later than the fifteenth day of June of the second fiscal year following the approval of the loan. A school district with a certified deficit in excess of either twenty-five million dollars or fifteen per cent of the general fund expenditures of the district during the fiscal year shall repay the loan no later than the fifteenth day of June of the tenth fiscal year following the approval of the loan. In deciding whether to approve or disapprove a proposed loan, the controlling board shall consider the deficit certified by the auditor of state pursuant to this section. A board of education that has an outstanding loan approved pursuant to this section with a repayment date of more than two fiscal years after the date of approval of such loan may not apply for another loan with such a repayment date until the outstanding loan has been repaid.

(3) If a board of education has submitted and received controlling board approval of a plan and proposed loan in accordance with this section, the superintendent of public instruction shall report to the controlling board the actual amounts loaned to the board of education. Such board of education shall request the superintendent to pay any funds the board of education would otherwise receive pursuant to ~~sections 3317.022 to 3317.025~~ Chapter 3306. of the Revised Code first directly to the holders of the board of education's notes, or an agent thereof, such amounts as are specified under the terms of the loan. Such payments shall be made only from and to the extent of money appropriated by the general assembly for purposes of such sections. No note or other obligation of the board of education under the loan constitutes an obligation nor a debt or a pledge of the faith, credit, or taxing power of the state, and the holder or owner of such note or obligation has no right to have taxes levied by the general assembly for the payment of such note or obligation, and such note or obligation shall contain a statement to that effect.

(4) Pursuant to the terms of such a loan, a board of education may issue its notes in anticipation of the collection of its voted levies for current expenses or its receipt of such state funds or both. Such notes shall be issued in accordance with division (E) of section 133.10 of the Revised Code and constitute Chapter 133. securities to the extent such division and the otherwise applicable provisions of Chapter 133. of the Revised Code are not inconsistent with this section, provided that in any event sections 133.24 and 5705.21 and divisions (A), (B), (C), and (E)(2) of section 133.10 of the Revised Code do not apply to such notes.

(5) Notwithstanding section 133.36 or 3313.17, any other section of the

Revised Code, or any other provision of law, a board of education that has received a loan under this section may not declare bankruptcy, so long as any portion of such loan remains unpaid.

(F) Under this section and sections 3313.4810 and 3313.4811, "board of education" or "district board" includes the financial planning and supervision commission of a school district under a fiscal emergency pursuant to Chapter 3316. of the Revised Code where such commission chooses to exercise the powers and duties otherwise required of the district board of education under this section and sections 3313.4810 and 3313.4811 of the Revised Code."

Between lines 36637 and 36638, insert:

"**Sec. 3313.55.** The board of education of any school district in which is located a state, district, county, or municipal hospital for children with epilepsy or any public institution, except state institutions for the care and treatment of delinquent, unstable, or socially maladjusted children, shall make provision for the education of all educable children therein; except that in the event another school district within the same county or an adjoining county is the source of sixty per cent or more of the children in said hospital or institution, the board of that school district shall make provision for the education of all the children therein. In any case in which a board provides educational facilities under this section, the board that provides the facilities shall be entitled to all moneys authorized for the attendance of pupils as provided in Chapter 3306. or 3317. of the Revised Code, tuition as provided in section 3317.08 of the Revised Code, and such additional compensation as is provided for crippled children in sections 3323.01 to 3323.12 of the Revised Code. Any board that provides the educational facilities for children in county or municipal institutions established for the care and treatment of children who are delinquent, unstable, or socially maladjusted shall not be entitled to any moneys provided for crippled children in sections 3323.01 to 3323.12 of the Revised Code."

Between lines 37659 and 37660, insert:

"**Sec. 3313.6410.** This section applies to any school that is operated by a school district and in which the enrolled students work primarily on assignments in nonclassroom-based learning opportunities provided via an internet- or other computer-based instructional method.

(A) Any school to which this section applies shall withdraw from the school any student who, for two consecutive school years, has failed to participate in the spring administration of any test prescribed under section 3301.0710 or 3301.0712 of the Revised Code for the student's grade level and was not excused from the test pursuant to division (C)(1) or (3) of section 3301.0711 of the Revised Code, regardless of whether a waiver was granted for the student under division (E) of section 3317.03 of the Revised Code. The school shall report any such student's data verification code, as assigned pursuant to section 3301.0714 of the Revised Code, to the department of education to be added to the list maintained by the department under section 3314.26 of the

Revised Code.

(B) No school to which this section applies shall receive any state funds under Chapter 3306. or 3317. of the Revised Code for any enrolled student whose data verification code appears on the list maintained by the department under section 3314.26 of the Revised Code. Notwithstanding any provision of the Revised Code to the contrary, the parent of any such student shall pay tuition to the school district that operates the school in an amount equal to the state funds the district otherwise would receive for that student, as determined by the department. A school to which this section applies may withdraw any student for whom the parent does not pay tuition as required by this division."

Between lines 38152 and 38153, insert:

"**Sec. 3313.98.** Notwithstanding division (D) of section 3311.19 and division (D) of section 3311.52 of the Revised Code, the provisions of this section and sections 3313.981 to 3313.983 of the Revised Code that apply to a city school district do not apply to a joint vocational or cooperative education school district unless expressly specified.

(A) As used in this section and sections 3313.981 to 3313.983 of the Revised Code:

(1) "Parent" means either of the natural or adoptive parents of a student, except under the following conditions:

(a) When the marriage of the natural or adoptive parents of the student has been terminated by a divorce, dissolution of marriage, or annulment or the natural or adoptive parents of the student are living separate and apart under a legal separation decree and the court has issued an order allocating the parental rights and responsibilities with respect to the student, "parent" means the residential parent as designated by the court except that "parent" means either parent when the court issues a shared parenting decree.

(b) When a court has granted temporary or permanent custody of the student to an individual or agency other than either of the natural or adoptive parents of the student, "parent" means the legal custodian of the child.

(c) When a court has appointed a guardian for the student, "parent" means the guardian of the student.

(2) "Native student" means a student entitled under section 3313.64 or 3313.65 of the Revised Code to attend school in a district adopting a resolution under this section.

(3) "Adjacent district" means a city, exempted village, or local school district having territory that abuts the territory of a district adopting a resolution under this section.

(4) "Adjacent district student" means a student entitled under section 3313.64 or 3313.65 of the Revised Code to attend school in an adjacent district.

(5) "Adjacent district joint vocational student" means an adjacent district student who enrolls in a city, exempted village, or local school district pursuant to this section and who also enrolls in a joint vocational school district that does not contain the territory of the district for which that student is a native student and does contain the territory of the city, exempted village, or local district in which the student enrolls.

(6) "Formula amount" has the same meaning as in section 3317.02 of the Revised Code.

(7) "Adjusted formula amount" means the sum of the formula amount plus the per pupil amount of the base funding supplements specified in divisions (C)(1) to (4) of section 3317.012 of the Revised Code for fiscal year 2009.

(8) "Poverty line" means the poverty line established by the director of the United States office of management and budget as revised by the director of the office of community services in accordance with section 673(2) of the "Community Services Block Grant Act," 95 Stat. 1609, 42 U.S.C.A. 9902, as amended.

(9) "IEP" has the same meaning as in section 3323.01 of the Revised Code.

(10) "Other district" means a city, exempted village, or local school district having territory outside of the territory of a district adopting a resolution under this section.

(11) "Other district student" means a student entitled under section 3313.64 or 3313.65 of the Revised Code to attend school in an other district.

(12) "Other district joint vocational student" means a student who is enrolled in any city, exempted village, or local school district and who also enrolls in a joint vocational school district that does not contain the territory of the district for which that student is a native student in accordance with a policy adopted under section 3313.983 of the Revised Code.

(B)(1) The board of education of each city, local, and exempted village school district shall adopt a resolution establishing for the school district one of the following policies:

(a) A policy that entirely prohibits the enrollment of students from adjacent districts or other districts, other than students for whom tuition is paid in accordance with section 3317.08 of the Revised Code;

(b) A policy that permits enrollment of students from all adjacent districts in accordance with policy statements contained in the resolution;

(c) A policy that permits enrollment of students from all other districts in accordance with policy statements contained in the resolution.

(2) A policy permitting enrollment of students from adjacent or from other districts, as applicable, shall provide for all of the following:

(a) Application procedures, including deadlines for application and for notification of students and the superintendent of the applicable district whenever an adjacent or other district student's application is approved.

(b) Procedures for admitting adjacent or other district applicants free of any tuition obligation to the district's schools, including, but not limited to:

(i) The establishment of district capacity limits by grade level, school building, and education program;

(ii) A requirement that all native students wishing to be enrolled in the district will be enrolled and that any adjacent or other district students previously enrolled in the district shall receive preference over first-time applicants;

(iii) Procedures to ensure that an appropriate racial balance is maintained in the district schools.

(C) Except as provided in section 3313.982 of the Revised Code, the procedures for admitting adjacent or other district students, as applicable, shall not include:

(1) Any requirement of academic ability, or any level of athletic, artistic, or other extracurricular skills;

(2) Limitations on admitting applicants because of disability, except that a board may refuse to admit a student receiving services under Chapter 3323. of the Revised Code, if the services described in the student's IEP are not available in the district's schools;

(3) A requirement that the student be proficient in the English language;

(4) Rejection of any applicant because the student has been subject to disciplinary proceedings, except that if an applicant has been suspended or expelled by the student's district for ten consecutive days or more in the term for which admission is sought or in the term immediately preceding the term for which admission is sought, the procedures may include a provision denying admission of such applicant.

(D)(1) Each school board permitting only enrollment of adjacent district students shall provide information about the policy adopted under this section, including the application procedures and deadlines, to the superintendent and the board of education of each adjacent district and, upon request, to the parent of any adjacent district student.

(2) Each school board permitting enrollment of other district students shall provide information about the policy adopted under this section, including the application procedures and deadlines, upon request, to the board of education of any other school district or to the parent of any student anywhere in the state.

(E) Any school board shall accept all credits toward graduation earned in adjacent or other district schools by an adjacent or other district student or a native student.

(F)(1) No board of education may adopt a policy discouraging or prohibiting its native students from applying to enroll in the schools of an adjacent or any other district that has adopted a policy permitting such enrollment, except that:

(a) A district may object to the enrollment of a native student in an adjacent or other district in order to maintain an appropriate racial balance.

(b) The board of education of a district receiving funds under 64 Stat. 1100 (1950), 20 U.S.C.A. 236 et seq., as amended, may adopt a resolution objecting to the enrollment of its native students in adjacent or other districts if at least ten per cent of its students are included in the determination of the United States secretary of education made under section 20 U.S.C.A. 238(a).

(2) If a board objects to enrollment of native students under this division, any adjacent or other district shall refuse to enroll such native students unless tuition is paid for the students in accordance with section 3317.08 of the Revised Code. An adjacent or other district enrolling such students may not receive funding for those students in accordance with section 3313.981 of the Revised Code.

(G) The state board of education shall monitor school districts to ensure compliance with this section and the districts' policies. The board may adopt rules requiring uniform application procedures, deadlines for application, notification procedures, and record-keeping requirements for all school boards that adopt policies permitting the enrollment of adjacent or other district students, as applicable. If the state board adopts such rules, no school board shall adopt a policy that conflicts with those rules.

(H) A resolution adopted by a board of education under this section that entirely prohibits the enrollment of students from adjacent and from other school districts does not abrogate any agreement entered into under section 3313.841 or 3313.92 of the Revised Code or any contract entered into under section 3313.90 of the Revised Code between the board of education adopting the resolution and the board of education of any adjacent or other district or prohibit these boards of education from entering into any such agreement or contract.

(I) Nothing in this section shall be construed to permit or require the board of education of a city, exempted village, or local school district to exclude any native student of the district from enrolling in the district.

Sec. 3313.981. (A) The state board <u>of education</u> shall adopt rules requiring all of the following:

(1) The board of education of each city, exempted village, and local school district to annually report to the department of education all of the following:

(a) The number of adjacent district or other district students, as applicable, and adjacent district or other district joint vocational students, as applicable, enrolled in the district and the number of native students enrolled in

adjacent or other districts, in accordance with a policy adopted under division (B) of section 3313.98 of the Revised Code;

(b) Each adjacent district or other district student's or adjacent district or other district joint vocational student's date of enrollment in the district;

(c) The full-time equivalent number of adjacent district or other district students enrolled in vocational education programs or classes described in division (A) of section 3317.014 of the Revised Code and the full-time equivalent number of such students enrolled in vocational education programs or classes described in division (B) of that section;

(d) Each native student's date of enrollment in an adjacent or other district.

(2) The board of education of each joint vocational school district to annually report to the department all of the following:

(a) The number of adjacent district or other district joint vocational students, as applicable, enrolled in the district;

(b) The full-time equivalent number of adjacent district or other district joint vocational students enrolled in vocational education programs or classes described in division (A) of section 3317.014 of the Revised Code and the full-time equivalent number of such students enrolled in vocational education programs or classes described in division (B) of that section;

(c) For each adjacent district or other district joint vocational student, the city, exempted village, or local school district in which the student is also enrolled.

(3) Prior to the first full school week in October each year, the superintendent of each city, local, or exempted village school district that admits adjacent district or other district students or adjacent district or other district joint vocational students in accordance with a policy adopted under division (B) of section 3313.98 of the Revised Code to notify each adjacent or other district where those students are entitled to attend school under section 3313.64 or 3313.65 of the Revised Code of the number of the adjacent or other district's native students who are enrolled in the superintendent's district under the policy.

The rules shall provide for the method of counting students who are enrolled for part of a school year in an adjacent or other district or as an adjacent district or other district joint vocational student.

(B) From the payments made to a city, exempted village, or local school district under Chapter ~~3317.~~ 3306. of the Revised Code, the department of education shall annually subtract both of the following:

(1) An amount equal to the number of the district's native students reported under division (A)(1) of this section who are enrolled in adjacent or other school districts pursuant to policies adopted by such districts under division (B) of section 3313.98 of the Revised Code multiplied by the adjusted

formula amount ~~for the district~~;

(2) The excess costs computed in accordance with division (E) of this section for any such native students receiving special education and related services in adjacent or other school districts or as an adjacent district or other district joint vocational student;

(3) For the full-time equivalent number of the district's native students reported under division (A)(1)(c) or (2)(b) of this section as enrolled in vocational education programs or classes described in section 3317.014 of the Revised Code, an amount equal to the formula amount times the applicable multiple prescribed by that section.

(C) To the payments made to a city, exempted village, or local school district under Chapter ~~3317.~~ 3306. of the Revised Code, the department of education shall annually add all of the following:

(1) An amount equal to the adjusted formula amount ~~for the district~~ multiplied by the remainder obtained by subtracting the number of adjacent district or other district joint vocational students from the number of adjacent district or other district students enrolled in the district, as reported under division (A)(1) of this section;

(2) The excess costs computed in accordance with division (E) of this section for any adjacent district or other district students, except for any adjacent or other district joint vocational students, receiving special education and related services in the district;

(3) For the full-time equivalent number of the adjacent or other district students who are not adjacent district or other district joint vocational students and are reported under division (A)(1)(c) of this section as enrolled in vocational education programs or classes described in section 3317.014 of the Revised Code, an amount equal to the formula amount times the applicable multiple prescribed by that section;

(4) An amount equal to the number of adjacent district or other district joint vocational students reported under division (A)(1) of this section multiplied by an amount equal to twenty per cent of the adjusted formula amount ~~for the district~~.

(D) To the payments made to a joint vocational school district ~~under Chapter 3317. of the Revised Code~~, the department of education shall add, for each adjacent district or other district joint vocational student reported under division (A)(2) of this section, both of the following:

(1) ~~An amount equal to the~~ The adjusted formula amount ~~of the city, exempted village, or local school district in which the student is also enrolled~~;

(2) An amount equal to the full-time equivalent number of students reported pursuant to division (A)(2)(b) of this section times the formula amount times the applicable multiple prescribed by section 3317.014 of the Revised

Code.

(E)(1) A city, exempted village, or local school board providing special education and related services to an adjacent or other district student in accordance with an IEP shall, pursuant to rules of the state board, compute the excess costs to educate such student as follows:

(a) Subtract the adjusted formula amount ~~for the district~~ from the actual costs to educate the student;

(b) From the amount computed under division (E)(1)(a) of this section subtract the amount of any funds received by the district under Chapter ~~3317.~~ 3306. of the Revised Code to provide special education and related services to the student.

(2) The board shall report the excess costs computed under this division to the department of education.

(3) If any student for whom excess costs are computed under division (E)(1) of this section is an adjacent or other district joint vocational student, the department of education shall add the amount of such excess costs to the payments made under Chapter ~~3317.~~ 3306. of the Revised Code to the joint vocational school district enrolling the student.

(F) As provided in division (D)(1)(b) of section 3317.03 of the Revised Code, no joint vocational school district shall count any adjacent or other district joint vocational student enrolled in the district in its formula ADM certified under section 3317.03 of the Revised Code.

(G) No city, exempted village, or local school district shall receive a payment under division (C) of this section for a student, and no joint vocational school district shall receive a payment under division (D) of this section for a student, if for the same school year that student is counted in the district's formula ADM certified under section 3317.03 of the Revised Code.

(H) Upon request of a parent, and provided the board offers transportation to native students of the same grade level and distance from school under section 3327.01 of the Revised Code, a city, exempted village, or local school board enrolling an adjacent or other district student shall provide transportation for the student within the boundaries of the board's district, except that the board shall be required to pick up and drop off a nonhandicapped student only at a regular school bus stop designated in accordance with the board's transportation policy. Pursuant to rules of the state board of education, such board may reimburse the parent from funds received under ~~division (D) of~~ section ~~3317.022~~ 3306.12 of the Revised Code for the reasonable cost of transportation from the student's home to the designated school bus stop if the student's family has an income below the federal poverty line."

In line 38620, strike through "(A)" and insert " The deductions under division (C) and the payments under division (D) of this section for fiscal years 2010 and 2011 shall be made in accordance with section 3314.088 of the

Revised Code.

(A)"

Between lines 39258 and 39259, insert:

"**Sec. 3314.087.** (A) As used in this section:

(1) "Career-technical program" means vocational programs or classes described in division (A) or (B) of section 3317.014 of the Revised Code in which a student is enrolled.

(2) "Formula ADM," "category one or two vocational education ADM," and "FTE basis" have the same meanings as in section 3317.02 of the Revised Code.

(3) "Resident school district" means the city, exempted village, or local school district in which a student is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code.

(B) Notwithstanding anything to the contrary in this chapter or Chapter 3306. or 3317. of the Revised Code, a student enrolled in a community school may simultaneously enroll in the career-technical program operated by the student's resident school district. On an FTE basis, the student's resident school district shall count the student in the category one or two vocational education ADM for the proportion of the time the student is enrolled in the district's career-technical program and, accordingly, the department of education shall calculate funds under ~~Chapter~~ Chapters 3306. and 3317. for the district attributable to the student for the proportion of time the student attends the career-technical program. The community school shall count the student in its enrollment report under section 3314.08 of the Revised Code and shall report to the department the proportion of time that the student attends classes at the community school. The department shall pay the community school and deduct from the student's resident school district the amount computed for the student under section 3314.08 of the Revised Code in proportion to the fraction of the time on an FTE basis that the student attends classes at the community school. "Full-time equivalency" for a community school student, as defined in division (L) of section 3314.08 of the Revised Code, does not apply to the student.

Sec. 3314.088. (A) For purposes of applying sections 3314.08 and 3314.13 of the Revised Code to fiscal years 2010 and 2011:

(1) The base formula amount for community schools for fiscal year 2010 is $5,718 and for fiscal year 2011 is $5,703. These respective amounts shall be applied wherein sections 3314.08 and 3314.13 of the Revised Code the base formula amount is specified, except for deducting and paying amounts for special education weighted funding and vocational education weighted funding.

(2) The base funding supplements under section 3317.012 of the Revised Code shall be deemed in each year to be the amounts specified in that section for fiscal year 2009.

(3) Special education additional weighted funding shall be calculated by multiplying the applicable weight specified in section 3317.013 of the Revised Code for fiscal year 2009 times $5,732.

(4) Vocational education additional weighted funding shall be calculated by multiplying the applicable weight specified in section 3317.014 of the Revised Code for fiscal year 2009 times $5,732.

(5) The per pupil amounts paid to a school district under sections 3317.029 and 3317.0217 of the Revised Code shall be deemed to be the respective per pupil amounts paid under those sections to that district for fiscal year 2009.

(6) A community school may receive all-day kindergarten payments under section 3314.13 of the Revised Code only for all-day kindergarten students who are entitled to attend school in school districts that, for fiscal year 2009, met the eligibility requirements of division (D) of section 3317.029 of the Revised Code. For students entitled to attend school in such school districts that actually received payment for all-day kindergarten for fiscal year 2009, the payments to community schools under section 3314.13 of the Revised Code shall be deducted from the school district's state education aid. For students entitled to attend school in such school districts that did not receive payment for all-day kindergarten for fiscal year 2009, the payments to community schools under section 3314.13 of the Revised Code shall be paid out of the funds appropriated under appropriation item 200550, foundation funding, as appropriated in section 265.10 of Am. Sub. H.B. 1 of the 128th General Assembly. As used in this division, "entitled to attend school" has the same meaning as in section 3314.08 of the Revised Code.

(B) For purposes of applying section 3314.085 of the Revised Code to fiscal years 2010 and 2011, the minimum per pupil expenditure required for pupil instruction under that section is $2,931, which equals the minimum amount required by that section for fiscal year 2009.

Sec. 3314.091. (A) A school district is not required to provide transportation for any native student enrolled in a community school if the district board of education has entered into an agreement with the community school's governing authority that designates the community school as responsible for providing or arranging for the transportation of the district's native students to and from the community school. For any such agreement to be effective, it must be certified by the superintendent of public instruction as having met all of the following requirements:

(1) It is submitted to the department of education by a deadline which shall be established by the department.

(2) In accordance with divisions (C)(1) and (2) of this section, it specifies qualifications, such as residing a minimum distance from the school, for students to have their transportation provided or arranged.

(3) The transportation provided by the community school is subject to all provisions of the Revised Code and all rules adopted under the Revised Code pertaining to pupil transportation.

(4) The sponsor of the community school also has signed the agreement.

(B)(1) For the school year that begins on July 1, 2007, a school district is not required to provide transportation for any native student enrolled in a community school, if the community school during the previous school year transported the students enrolled in the school or arranged for the students' transportation, even if that arrangement consisted of having parents transport their children to and from the school, but did not enter into an agreement to transport or arrange for transportation for those students under division (A) of this section, and if the governing authority of the community school by July 15, 2007, submits written notification to the district board of education stating that the governing authority is accepting responsibility for providing or arranging for the transportation of the district's native students to and from the community school.

(2) For any school year subsequent to the school year that begins on July 1, 2007, a school district is not required to provide transportation for any native student enrolled in a community school if the governing authority of the community school, by the thirty-first day of January of the previous school year, submits written notification to the district board of education stating that the governing authority is accepting responsibility for providing or arranging for the transportation of the district's native students to and from the community school. If the governing authority of the community school has previously accepted responsibility for providing or arranging for the transportation of a district's native students to and from the community school, under division (B)(1) or (2) of this section, and has since relinquished that responsibility under division (B)(3) of this section, the governing authority shall not accept that responsibility again unless the district board consents to the governing authority's acceptance of that responsibility.

(3) A governing authority's acceptance of responsibility under division (B)(1) or (2) of this section shall cover an entire school year, and shall remain in effect for subsequent school years unless the governing authority submits written notification to the district board that the governing authority is relinquishing the responsibility. However, a governing authority shall not relinquish responsibility for transportation before the end of a school year, and shall submit the notice relinquishing responsibility by the thirty-first day of January, in order to allow the school district reasonable time to prepare transportation for its native students enrolled in the school.

(C)(1) A community school governing authority that enters into an agreement under division (A) of this section, or that accepts responsibility under division (B) of this section, shall provide or arrange transportation free of any charge for each of its enrolled students who is required to be transported under section 3327.01 of the Revised Code or who would otherwise be transported by

the school district under the district's transportation policy. The governing authority shall report to the department of education the number of students transported or for whom transportation is arranged under this section in accordance with rules adopted by the state board of education.

(2) The governing authority may provide or arrange transportation for any other enrolled student who is not eligible for transportation in accordance with division (C)(1) of this section and may charge a fee for such service up to the actual cost of the service.

(3) Notwithstanding anything to the contrary in division (C)(1) or (2) of this section, a community school governing authority shall provide or arrange transportation free of any charge for any disabled student enrolled in the school for whom the student's individualized education program developed under Chapter 3323. of the Revised Code specifies transportation.

(D)(1) If a school district board and a community school governing authority elect to enter into an agreement under division (A) of this section, the department of education shall make payments to the community school according to the terms of the agreement for each student actually transported under division (C)(1) of this section.

If a community school governing authority accepts transportation responsibility under division (B) of this section, the department shall make payments to the community school for each student actually transported or for whom transportation is arranged by the community school under division (C)(1) of this section, calculated as follows:

(a) For any fiscal year which the general assembly has specified that transportation payments to school districts be based on an across-the-board percentage of the district's payment for the previous school year, the per pupil payment to the community school shall be the following quotient:

(i) The total amount calculated for the school district in which the child is entitled to attend school for student transportation other than transportation of children with disabilities; divided by

(ii) The number of students included in the district's transportation ADM for the current fiscal year, as reported under division (B)(13) of section 3317.03 of the Revised Code, plus the number of students enrolled in the community school not counted in the district's transportation ADM who are transported under division (B)(1) or (2) of this section.

(b) For any fiscal year which the general assembly has specified that the transportation payments to school districts be calculated in accordance with ~~division (D) of~~ section ~~3317.022~~ 3306.12 of the Revised Code and any rules of the state board of education implementing that ~~division~~ section, the payment to the community school shall be the amount so calculated that otherwise would be paid to the school district in which the student is entitled to attend school by the method of transportation the district would have used. The community school,

however, is not required to use the same method to transport that student.

As used in this division "entitled to attend school" means entitled to attend school under section 3313.64 or 3313.65 of the Revised Code.

(2) The department shall deduct the payment under division (D)(1) of this section from the state education aid, as defined in section 3314.08 of the Revised Code, and, if necessary, the payment under sections 321.14 and 323.156 of the Revised Code, that is otherwise paid to the school district in which the student enrolled in the community school is entitled to attend school. The department shall include the number of the district's native students for whom payment is made to a community school under division (D)(1) of this section in the calculation of the district's transportation payment under ~~division (D) of~~ section ~~3317.022~~ 3306.12 of the Revised Code and the operating appropriations act.

(3) A community school shall be paid under division (D)(1) of this section only for students who are eligible as specified in section 3327.01 of the Revised Code and division (C)(1) of this section, and whose transportation to and from school is actually provided, who actually utilized transportation arranged, or for whom a payment in lieu of transportation is made by the community school's governing authority. To qualify for the payments, the community school shall report to the department, in the form and manner required by the department, data on the number of students transported or whose transportation is arranged, the number of miles traveled, cost to transport, and any other information requested by the department.

(4) A community school shall use payments received under this section solely to pay the costs of providing or arranging for the transportation of students who are eligible as specified in section 3327.01 of the Revised Code and division (C)(1) of this section, which may include payments to a parent, guardian, or other person in charge of a child in lieu of transportation.

(E) Except when arranged through payment to a parent, guardian, or person in charge of a child, transportation provided or arranged for by a community school pursuant to an agreement under this section is subject to all provisions of the Revised Code, and all rules adopted under the Revised Code, pertaining to the construction, design, equipment, and operation of school buses and other vehicles transporting students to and from school. The drivers and mechanics of the vehicles are subject to all provisions of the Revised Code, and all rules adopted under the Revised Code, pertaining to drivers and mechanics of such vehicles. The community school also shall comply with sections 3313.201, 3327.09, and 3327.10 of the Revised Code, division (B) of section 3327.16 of the Revised Code and, subject to division (C)(1) of this section, sections 3327.01 and 3327.02 of the Revised Code, as if it were a school district.

Sec. 3314.10. (A)(1) The governing authority of any community school established under this chapter may employ teachers and nonteaching employees necessary to carry out its mission and fulfill its contract.

(2) Except as provided under division (A)(3) of this section, employees

hired under this section may organize and collectively bargain pursuant to Chapter 4117. of the Revised Code. Notwithstanding division (D)(1) of section 4117.06 of the Revised Code, a unit containing teaching and nonteaching employees employed under this section shall be considered an appropriate unit. As applicable, employment under this section is subject to either Chapter 3307. or 3309. of the Revised Code.

(3) If a school is created by converting all or part of an existing public school rather than by establishment of a new start-up school, at the time of conversion, the employees of the community school shall remain part of any collective bargaining unit in which they were included immediately prior to the conversion and shall remain subject to any collective bargaining agreement for that unit in effect on the first day of July of the year in which the community school initially begins operation and shall be subject to any subsequent collective bargaining agreement for that unit, unless a petition is certified as sufficient under division (A)(6) of this section with regard to those employees. Any new employees of the community school shall also be included in the unit to which they would have been assigned had not the conversion taken place and shall be subject to the collective bargaining agreement for that unit unless a petition is certified as sufficient under division (A)(6) of this section with regard to those employees.

Notwithstanding division (B) of section 4117.01 of the Revised Code, the board of education of a school district and not the governing authority of a community school shall be regarded, for purposes of Chapter 4117. of the Revised Code, as the "public employer" of the employees of a conversion community school subject to a collective bargaining agreement pursuant to division (A)(3) of this section unless a petition is certified under division (A)(6) of this section with regard to those employees. Only on and after the effective date of a petition certified as sufficient under division (A)(6) of this section shall division (A)(2) of this section apply to those employees of that community school and only on and after the effective date of that petition shall Chapter 4117. of the Revised Code apply to the governing authority of that community school with regard to those employees.

(4) Notwithstanding sections 4117.03 to 4117.18 of the Revised Code and Section 4 of Amended Substitute Senate Bill No. 133 of the 115th general assembly, the employees of a conversion community school who are subject to a collective bargaining agreement pursuant to division (A)(3) of this section shall cease to be subject to that agreement and all subsequent agreements pursuant to that division and shall cease to be part of the collective bargaining unit that is subject to that and all subsequent agreements, if a majority of the employees of that community school who are subject to that collective bargaining agreement sign and submit to the state employment relations board a petition requesting all of the following:

(a) That all the employees of the community school who are subject to that agreement be removed from the bargaining unit that is subject to that

agreement and be designated by the state employment relations board as a new and separate bargaining unit for purposes of Chapter 4117. of the Revised Code;

(b) That the employee organization certified as the exclusive representative of the employees of the bargaining unit from which the employees are to be removed be certified as the exclusive representative of the new and separate bargaining unit for purposes of Chapter 4117. of the Revised Code;

(c) That the governing authority of the community school be regarded as the "public employer" of these employees for purposes of Chapter 4117. of the Revised Code.

(5) Notwithstanding sections 4117.03 to 4117.18 of the Revised Code and Section 4 of Amended Substitute Senate Bill No. 133 of the 115th general assembly, the employees of a conversion community school who are subject to a collective bargaining agreement pursuant to division (A)(3) of this section shall cease to be subject to that agreement and all subsequent agreements pursuant to that division, shall cease to be part of the collective bargaining unit that is subject to that and all subsequent agreements, and shall cease to be represented by any exclusive representative of that collective bargaining unit, if a majority of the employees of the community school who are subject to that collective bargaining agreement sign and submit to the state employment relations board a petition requesting all of the following:

(a) That all the employees of the community school who are subject to that agreement be removed from the bargaining unit that is subject to that agreement;

(b) That any employee organization certified as the exclusive representative of the employees of that bargaining unit be decertified as the exclusive representative of the employees of the community school who are subject to that agreement;

(c) That the governing authority of the community school be regarded as the "public employer" of these employees for purposes of Chapter 4117. of the Revised Code.

(6) Upon receipt of a petition under division (A)(4) or (5) of this section, the state employment relations board shall check the sufficiency of the signatures on the petition. If the signatures are found sufficient, the board shall certify the sufficiency of the petition and so notify the parties involved, including the board of education, the governing authority of the community school, and any exclusive representative of the bargaining unit. The changes requested in a certified petition shall take effect on the first day of the month immediately following the date on which the sufficiency of the petition is certified under division (A)(6) of this section.

(B)(1) The board of education of each city, local, and exempted village school district sponsoring a community school and the governing board of each educational service center in which a community school is located shall adopt a

policy that provides a leave of absence of at least three years to each teacher or nonteaching employee of the district or service center who is employed by a conversion or new start-up community school sponsored by the district or located in the district or center for the period during which the teacher or employee is continuously employed by the community school. The policy shall also provide that any teacher or nonteaching employee may return to employment by the district or service center if the teacher or employee leaves or is discharged from employment with the community school for any reason, unless, in the case of a teacher, the board of the district or service center determines that the teacher was discharged for a reason for which the board would have sought to discharge the teacher under section 3319.16 of the Revised Code, in which case the board may proceed to discharge the teacher utilizing the procedures of that section. Upon termination of such a leave of absence, any seniority that is applicable to the person shall be calculated to include all of the following: all employment by the district or service center prior to the leave of absence; all employment by the community school during the leave of absence; and all employment by the district or service center after the leave of absence. The policy shall also provide that if any teacher holding valid certification returns to employment by the district or service center upon termination of such a leave of absence, the teacher shall be restored to the previous position and salary or to a position and salary similar thereto. If, as a result of teachers returning to employment upon termination of such leaves of absence, a school district or educational service center reduces the number of teachers it employs, it shall make such reductions in accordance with section 3319.17 or, if applicable, 3319.171 of the Revised Code.

Unless a collective bargaining agreement providing otherwise is in effect for an employee of a conversion community school pursuant to division (A)(3) of this section, an employee on a leave of absence pursuant to this division shall remain eligible for any benefits that are in addition to benefits under Chapter 3307. or 3309. of the Revised Code provided by the district or service center to its employees provided the employee pays the entire cost associated with such benefits, except that personal leave and vacation leave cannot be accrued for use as an employee of a school district or service center while in the employ of a community school unless the district or service center board adopts a policy expressly permitting this accrual.

(2) While on a leave of absence pursuant to division (B)(1) of this section, a conversion community school shall permit a teacher to use sick leave accrued while in the employ of the school district from which the leave of absence was taken and prior to commencing such leave. If a teacher who is on such a leave of absence uses sick leave so accrued, the cost of any salary paid by the community school to the teacher for that time shall be reported to the department of education. The cost of employing a substitute teacher for that time shall be paid by the community school. The department of education shall add amounts to the payments made to a community school under this chapter as necessary to cover the cost of salary reported by a community school as paid to a

teacher using sick leave so accrued pursuant to this section. The department shall subtract the amounts of any payments made to community schools under this division from payments made to such sponsoring school district under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code.

A school district providing a leave of absence and employee benefits to a person pursuant to this division is not liable for any action of that person while the person is on such leave and employed by a community school.

Sec. 3314.13. ~~(A)~~ Payments and deductions under this section for fiscal years 2010 and 2011 shall be made in accordance with section 3314.088 of the Revised Code.

(A) As used in this section:

(1) "All-day kindergarten" has the same meaning as in section 3317.029 of the Revised Code.

(2) "Formula amount" has the same meaning as in section 3317.02 of the Revised Code.

(B) Except as provided in division (C) of this section, the department of education annually shall pay each community school established under this chapter one-half of the formula amount for each student to whom both of the following apply:

(1) The student is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code in a school district that is eligible to receive a payment under division (D) of section 3317.029 of the Revised Code if it provides all-day kindergarten;

(2) The student is reported by the community school as enrolled in all-day kindergarten at the community school.

(C) The department shall make no payments under this section to any internet- or computer-based community school.

(D) If a student for whom payment is made under division (B) of this section is entitled to attend school in a district that receives any payment for all-day kindergarten under division (D) of section 3317.029 of the Revised Code, the department shall deduct the payment to the community school under this section from the amount paid that school district under that division. If that school district does not receive payment for all-day kindergarten under that division because it does not provide all-day kindergarten, the department shall pay the community school from state funds appropriated generally for poverty-based assistance to school districts.

(E) The department shall adjust the amounts deducted from school districts and paid to community schools under this section to reflect any enrollments of students in all-day kindergarten in community schools for less than the equivalent of a full school year."

Between lines 39388 and 39389, insert:

"**Sec. 3316.041.** (A) Notwithstanding any provision of Chapter 133. or sections 3313.483 to 3313.4811 of the Revised Code, and subject to the approval of the superintendent of public instruction, a school district that is in a state of fiscal watch declared under section 3316.03 of the Revised Code may restructure or refinance loans obtained or in the process of being obtained under section 3313.483 of the Revised Code if all of the following requirements are met:

(1) The operating deficit certified for the school district for the current or preceding fiscal year under section 3313.483 of the Revised Code exceeds fifteen per cent of the district's general revenue fund for the fiscal year preceding the year for which the certification of the operating deficit is made.

(2) The school district voters have, during the period of the fiscal watch, approved the levy of a tax under section 718.09, 718.10, 5705.194, 5705.21, or 5748.02 of the Revised Code that is not a renewal or replacement levy, or a levy under section 5705.199 of the Revised Code, and that will provide new operating revenue.

(3) The board of education of the school district has adopted or amended the financial plan required by section 3316.04 of the Revised Code to reflect the restructured or refinanced loans, and sets forth the means by which the district will bring projected operating revenues and expenditures, and projected debt service obligations, into balance for the life of any such loan.

(B) Subject to the approval of the superintendent of public instruction, the school district may issue securities to evidence the restructuring or refinancing authorized by this section. Such securities may extend the original period for repayment not to exceed ten years, and may alter the frequency and amount of repayments, interest or other financing charges, and other terms or agreements under which the loans were originally contracted, provided the loans received under sections 3313.483 of the Revised Code are repaid from funds the district would otherwise receive under ~~sections 3317.022 to 3317.025~~ Chapter 3306. of the Revised Code, as required under division (E)(3) of section 3313.483 of the Revised Code. Securities issued for the purpose of restructuring or refinancing under this section shall be repaid in equal payments and at equal intervals over the term of the debt and are not eligible to be included in any subsequent proposal to restructure or refinance.

(C) Unless the district is declared to be in a state of fiscal emergency under division (D) of section 3316.04 of the Revised Code, a school district shall remain in a state of fiscal watch for the duration of the repayment period of any loan restructured or refinanced under this section.

Sec. 3316.06. (A) Within one hundred twenty days after the first meeting of a school district financial planning and supervision commission, the commission shall adopt a financial recovery plan regarding the school district for which the commission was created. During the formulation of the plan, the commission shall seek appropriate input from the school district board and from

the community. This plan shall contain the following:

(1) Actions to be taken to:

(a) Eliminate all fiscal emergency conditions declared to exist pursuant to division (B) of section 3316.03 of the Revised Code;

(b) Satisfy any judgments, past-due accounts payable, and all past-due and payable payroll and fringe benefits;

(c) Eliminate the deficits in all deficit funds, except that any prior year deficits in the textbook and instructional materials fund established pursuant to section 3315.17 of the Revised Code and the capital and maintenance fund established pursuant to section 3315.18 of the Revised Code shall be forgiven;

(d) Restore to special funds any moneys from such funds that were used for purposes not within the purposes of such funds, or borrowed from such funds by the purchase of debt obligations of the school district with the moneys of such funds, or missing from the special funds and not accounted for, if any;

(e) Balance the budget, avoid future deficits in any funds, and maintain on a current basis payments of payroll, fringe benefits, and all accounts;

(f) Avoid any fiscal emergency condition in the future;

(g) Restore the ability of the school district to market long-term general obligation bonds under provisions of law applicable to school districts generally.

(2) The management structure that will enable the school district to take the actions enumerated in division (A)(1) of this section. The plan shall specify the level of fiscal and management control that the commission will exercise within the school district during the period of fiscal emergency, and shall enumerate respectively, the powers and duties of the commission and the powers and duties of the school board during that period. The commission may elect to assume any of the powers and duties of the school board it considers necessary, including all powers related to personnel, curriculum, and legal issues in order to successfully implement the actions described in division (A)(1) of this section.

(3) The target dates for the commencement, progress upon, and completion of the actions enumerated in division (A)(1) of this section and a reasonable period of time expected to be required to implement the plan. The commission shall prepare a reasonable time schedule for progress toward and achievement of the requirements for the plan, and the plan shall be consistent with that time schedule.

(4) The amount and purpose of any issue of debt obligations that will be issued, together with assurances that any such debt obligations that will be issued will not exceed debt limits supported by appropriate certifications by the fiscal officer of the school district and the county auditor. Debt obligations issued pursuant to section 133.301 of the Revised Code shall include assurances that such debt shall be in an amount not to exceed the amount certified under division (B) of such section. If the commission considers it necessary in order to maintain

or improve educational opportunities of pupils in the school district, the plan may include a proposal to restructure or refinance outstanding debt obligations incurred by the board under section 3313.483 of the Revised Code contingent upon the approval, during the period of the fiscal emergency, by district voters of a tax levied under section 718.09, 718.10, 5705.194, 5705.21, 5748.02, or 5748.08 of the Revised Code that is not a renewal or replacement levy, or a levy under section 5705.199 of the Revised Code, and that will provide new operating revenue. Notwithstanding any provision of Chapter 133. or sections 3313.483 to 3313.4811 of the Revised Code, following the required approval of the district voters and with the approval of the commission, the school district may issue securities to evidence the restructuring or refinancing. Those securities may extend the original period for repayment, not to exceed ten years, and may alter the frequency and amount of repayments, interest or other financing charges, and other terms of agreements under which the debt originally was contracted, at the discretion of the commission, provided that any loans received pursuant to section 3313.483 of the Revised Code shall be paid from funds the district would otherwise receive under ~~sections 3317.022 to 3317.025~~ Chapter 3306. of the Revised Code, as required under division (E)(3) of section 3313.483 of the Revised Code. The securities issued for the purpose of restructuring or refinancing the debt shall be repaid in equal payments and at equal intervals over the term of the debt and are not eligible to be included in any subsequent proposal for the purpose of restructuring or refinancing debt under this section.

(B) Any financial recovery plan may be amended subsequent to its adoption. Each financial recovery plan shall be updated annually.

(C) Each school district financial planning and supervision commission shall submit the financial recovery plan it adopts or updates under this section to the state superintendent of public instruction for approval immediately following its adoption or updating. The state superintendent shall evaluate the plan and either approve or disapprove it within thirty calendar days from the date of its submission. If the plan is disapproved, the state superintendent shall recommend modifications that will render it acceptable. No financial planning and supervision commission shall implement a financial recovery plan that is adopted or updated on or after April 10, 2001, unless the state superintendent has approved it.

Sec. 3316.20. (A)(1) The school district solvency assistance fund is hereby created in the state treasury, to consist of such amounts designated for the purposes of the fund by the general assembly. The fund shall be used to provide assistance and grants to school districts to enable them to remain solvent and to pay ~~unforseeable~~ unforeseeable expenses of a temporary or emergency nature that they are unable to pay from existing resources.

(2) There is hereby created within the fund an account known as the school district shared resource account, which shall consist of money appropriated to it by the general assembly. The money in the account shall be used solely for solvency assistance to school districts that have been declared

under division (B) of section 3316.03 of the Revised Code to be in a state of fiscal emergency.

(3) There is hereby created within the fund an account known as the catastrophic expenditures account, which shall consist of money appropriated to the account by the general assembly plus all investment earnings of the fund. Money in the account shall be used solely for the following:

(a) Solvency assistance to school districts that have been declared under division (B) of section 3316.03 of the Revised Code to be in a state of fiscal emergency, in the event that all money in the shared resource account is utilized for solvency assistance;

(b) Grants to school districts under division (C) of this section.

(B) Solvency assistance payments under division (A)(2) or (3)(a) of this section shall be made from the fund by the superintendent of public instruction in accordance with rules adopted by the director of budget and management, after consulting with the superintendent, specifying approval criteria and procedures necessary for administering the fund.

The fund shall be reimbursed for any solvency assistance amounts paid under division (A)(2) or (3)(a) of this section not later than the end of the second fiscal year following the fiscal year in which the solvency assistance payment was made. If not made directly by the school district, such reimbursement shall be made by the director of budget and management from the amounts the school district would otherwise receive pursuant to ~~sections 3317.022 to 3317.025~~ Chapter 3306. of the Revised Code, or from any other funds appropriated for the district by the general assembly. Reimbursements shall be credited to the respective account from which the solvency assistance paid to the district was deducted.

(C) The superintendent of public instruction may make recommendations, and the controlling board may grant money from the catastrophic expenditures account to any school district that suffers an unforeseen catastrophic event that severely depletes the district's financial resources. The superintendent shall make recommendations for the grants in accordance with rules adopted by the director of budget and management, after consulting with the superintendent. A school district shall not be required to repay any grant awarded to the district under this division, unless the district receives money from this state or a third party, including an agency of the government of the United States, specifically for the purpose of compensating the district for revenue lost or expenses incurred as a result of the unforeseen catastrophic event. If a school district receives a grant from the catastrophic expenditures account on the basis of the same circumstances for which an adjustment or recomputation is authorized under section 3317.025, 3317.026, 3317.027, 3317.028, 3317.0210, or 3317.0211 of the Revised Code, the department of education shall reduce the adjustment or recomputation by an amount not to exceed the total amount of the grant, and an amount equal to the

reduction shall be transferred, from the funding source from which the adjustment or recomputation would be paid, to the catastrophic expenditures account. Any adjustment or recomputation under such sections that is in excess of the total amount of the grant shall be paid to the school district.

Sec. 3317.01. As used in this section and section 3317.011 of the Revised Code, "school district," unless otherwise specified, means any city, local, exempted village, joint vocational, or cooperative education school district and any educational service center.

This chapter shall be administered by the state board of education. The superintendent of public instruction shall calculate the amounts payable to each school district and shall certify the amounts payable to each eligible district to the treasurer of the district as provided by this chapter. As soon as possible after such amounts are calculated, the superintendent shall certify to the treasurer of each school district the district's adjusted charge-off increase, as defined in section 5705.211 of the Revised Code. No moneys shall be distributed pursuant to this chapter without the approval of the controlling board.

The state board of education shall, in accordance with appropriations made by the general assembly, meet the financial obligations of this chapter.

~~Annually, the department of education shall calculate and report to each school district the district's total state and local funds for providing an adequate basic education to the district's nondisabled students, utilizing the determination in section 3317.012 of the Revised Code. In addition, the department shall calculate and report separately for each school district the district's total state and local funds for providing an adequate education for its students with disabilities, utilizing the determinations in both sections 3317.012 and 3317.013 of the Revised Code.~~

~~Not later than the thirty-first day of August of each fiscal year, the department of education shall provide to each school district and county MR/DD board a preliminary estimate of the amount of funding that the department calculates the district will receive under each of divisions (C)(1) and (4) of section 3317.022 of the Revised Code. No later than the first day of December of each fiscal year, the department shall update that preliminary estimate.~~

Moneys distributed pursuant to this chapter shall be calculated and paid on a fiscal year basis, beginning with the first day of July and extending through the thirtieth day of June. The moneys appropriated for each fiscal year shall be distributed ~~at least monthly~~ periodically to each school district unless otherwise provided for. The state board shall submit a yearly distribution plan to the controlling board at its first meeting in July. The state board shall submit any proposed midyear revision of the plan to the controlling board in January. Any year-end revision of the plan shall be submitted to the controlling board in June. If moneys appropriated for each fiscal year are distributed other than monthly, such distribution shall be on the same basis for each school district.

~~The total amounts paid each month shall constitute, as nearly as possible,~~

~~one-twelfth of the total amount payable for the entire year.~~

~~Until fiscal year 2007, payments made during the first six months of the fiscal year may be based on an estimate of the amounts payable for the entire year. Payments made in the last six months shall be based on the final calculation of the amounts payable to each school district for that fiscal year. Payments made in the last six months may be adjusted, if necessary, to correct the amounts distributed in the first six months, and to reflect enrollment increases when such are at least three per cent.~~

~~Beginning in fiscal year 2007, payments shall be calculated to reflect the biannual reporting of average daily membership. In fiscal year 2007 and in each fiscal year thereafter, annualized periodic payments for each school district shall be based on the district's final student counts verified by the superintendent of public instruction based on reports under section 3317.03 of the Revised Code, as adjusted, if so ordered, under division (K) of that section, as follows:~~

~~the sum of one-half of the number of students verified and adjusted for the first full week in October plus one-half of the average of the numbers verified and adjusted for the first full week in October and for the first full week in February~~

Except as otherwise provided, payments under this chapter shall be made only to those school districts in which:

(A) The school district, except for any educational service center and any joint vocational or cooperative education school district, levies for current operating expenses at least twenty mills. Levies for joint vocational or cooperative education school districts or county school financing districts, limited to or to the extent apportioned to current expenses, shall be included in this qualification requirement. School district income tax levies under Chapter 5748. of the Revised Code, limited to or to the extent apportioned to current operating expenses, shall be included in this qualification requirement to the extent determined by the tax commissioner under division (D) of section 3317.021 of the Revised Code.

(B) The school year next preceding the fiscal year for which such payments are authorized meets the requirement of section 3313.48 or 3313.481 of the Revised Code, with regard to the minimum number of days or hours school must be open for instruction with pupils in attendance, for individualized parent-teacher conference and reporting periods, and for professional meetings of teachers. This requirement shall be waived by the superintendent of public instruction if it had been necessary for a school to be closed because of disease epidemic, hazardous weather conditions, inoperability of school buses or other equipment necessary to the school's operation, damage to a school building, or other temporary circumstances due to utility failure rendering the school building unfit for school use, provided that for those school districts operating pursuant to section 3313.48 of the Revised Code the number of days the school was actually open for instruction with pupils in attendance and for individualized

parent-teacher conference and reporting periods is not less than one hundred seventy-five, or for those school districts operating on a trimester plan the number of days the school was actually open for instruction with pupils in attendance not less than seventy-nine days in any trimester, for those school districts operating on a quarterly plan the number of days the school was actually open for instruction with pupils in attendance not less than fifty-nine days in any quarter, or for those school districts operating on a pentamester plan the number of days the school was actually open for instruction with pupils in attendance not less than forty-four days in any pentamester.

A school district shall not be considered to have failed to comply with this division or section 3313.481 of the Revised Code because schools were open for instruction but either twelfth grade students were excused from attendance for up to three days or only a portion of the kindergarten students were in attendance for up to three days in order to allow for the gradual orientation to school of such students.

The superintendent of public instruction shall waive the requirements of this section with reference to the minimum number of days or hours school must be in session with pupils in attendance for the school year succeeding the school year in which a board of education initiates a plan of operation pursuant to section 3313.481 of the Revised Code. The minimum requirements of this section shall again be applicable to such a district beginning with the school year commencing the second July succeeding the initiation of one such plan, and for each school year thereafter.

A school district shall not be considered to have failed to comply with this division or section 3313.48 or 3313.481 of the Revised Code because schools were open for instruction but the length of the regularly scheduled school day, for any number of days during the school year, was reduced by not more than two hours due to hazardous weather conditions.

(C) The school district has on file, and is paying in accordance with, a teachers' salary schedule which complies with section 3317.13 of the Revised Code.

A board of education or governing board of an educational service center which has not conformed with other law and the rules pursuant thereto, shall not participate in the distribution of funds authorized by sections 3317.022 to 3317.0211, 3317.11, 3317.16, 3317.17, and 3317.19 of the Revised Code, except for good and sufficient reason established to the satisfaction of the state board of education and the state controlling board.

All funds allocated to school districts under this chapter, except those specifically allocated for other purposes, shall be used to pay current operating expenses only.

Sec. 3317.011. On or before the ~~third Wednesday~~ last day of each month, the department of education shall certify to the director of budget and management for payment, for each county:

(A)(1) That portion of the allocation of money under sections 3317.022 to 3317.0211, 3317.11, 3317.16, 3317.17, and 3317.19 of the Revised Code that is required to be paid in that month to each school district located wholly within the county subsequent to the deductions described in division (A)(2) of this section; and

(2) The amounts deducted from such allocation under sections 3307.31 and 3309.51 of the Revised Code for payment directly to the school employees and state teachers retirement systems under such sections.

(B) If the district is located in more than one county, an apportionment of the amounts that would otherwise be certified under division (A) of this section. The amounts apportioned to the county shall equal the amounts certified under division (A) of this section times the percentage of the district's resident pupils who reside both in the district and in the county , based on the average daily membership reported under division (A) of section 3317.03 of the Revised Code in October of the prior fiscal year."

Between lines 39432 and 39433, insert:

" **Sec. 3317.018.** (A) The department of education shall make no calculations or payments under Chapter 3317. of the Revised Code for any fiscal year except as prescribed in this section.

(B) School districts shall report student enrollment data as prescribed by section 3317.03 of the Revised Code, which data the department shall use to make payments under Chapters 3306. and 3317. of the Revised Code.

(C) The tax commissioner shall report data regarding tax valuation and receipts for school districts as prescribed by sections 3317.015, 3317.021, 3317.025, 3317.026, 3317.027, 3317.028, 3317.0210, 3317.0211, and 3317.08 and by division (M) of section 3317.02 of the Revised Code, which data the department shall use to make payments under Chapters 3306. and 3317. of the Revised Code.

(D) Unless otherwise specified by another provision of law, in addition to the payments prescribed by Chapter 3306. of the Revised Code, the department shall continue to make payments to or adjustments for school districts in fiscal years after fiscal year 2009 under the following provisions of Chapter 3317. of the Revised Code:

(1) The catastrophic cost reimbursement under division (C)(3) of section 3317.022 of the Revised Code. No other payments shall be made under that section.

(2) All payments or adjustments under section 3317.023 of the Revised Code, except no payments or adjustments shall be made under divisions (B), (C), and (D) of that section.

(3) All payments or adjustments under section 3317.024 of the Revised Code, except no payments or adjustments shall be made under divisions (F), (L),

and (N) of that section.

(4) All payments and adjustments under sections 3317.025, 3317.026, 3317.027, 3317.028, 3317.0210, and 3317.0211 of the Revised Code;

(5) Payments under section 3317.04 of the Revised Code;

(6) Unit payments under sections 3317.05, 3317.051, 3317.052, and 3317.053 of the Revised Code, except that no units for gifted funding are authorized after fiscal year 2009.

(7) Payments under sections 3317.06, 3317.063, and 3317.064 of the Revised Code;

(8) Payments under section 3317.07 of the Revised Code;

(9) Payments to educational service centers under section 3317.11 of the Revised Code;

(10) The catastrophic cost reimbursement under division (E) of section 3317.16 of the Revised Code and excess cost reimbursements under division (G) of that section. No other payments shall be made under that section;

(11) Payments under section 3317.17 of the Revised Code;

(12) Adjustments under section 3317.18 of the Revised Code;

(13) Payments to cooperative education school districts under section 3317.19 of the Revised Code;

(14) Payments to county MR/DD boards under section 3317.20 of the Revised Code;

(15) Payments to state institutions for weighted special education funding under section 3317.201 of the Revised Code.

(E) Sections 3317.016 and 3317.017 shall not apply to fiscal years after fiscal year 2009.

(F) This section does not affect the provisions of sections 3317.031, 3317.032, 3317.033, 3317.035, 3317.061, 3317.08, 3317.081, 3317.082, 3317.09, 3317.12, 3317.13, 3317.14, 3317.15, 3317.50, 3317.51, 3317.62, 3317.63, and 3317.64 of the Revised Code."

Delete lines 39433 through 39629 and insert:

"**Sec. 3317.02.** As used in this chapter:

(A) Unless otherwise specified, "school district" means city, local, and exempted village school districts.

(B) "Formula amount" means ~~the base cost for the fiscal year specified in division (B)(4) of section 3317.012 of the Revised Code~~ $5,732 for fiscal year 2010 and fiscal year 2011.

(C) "FTE basis" means a count of students based on full-time

equivalency, in accordance with rules adopted by the department of education pursuant to section 3317.03 of the Revised Code. In adopting its rules under this division, the department shall provide for counting any student in category one, two, three, four, five, or six special education ADM or in category one or two vocational education ADM in the same proportion the student is counted in formula ADM.

(D) "Formula ADM" means, for a city, local, or exempted village school district, ~~the final number verified by the superintendent of public instruction, based on the number reported pursuant to division (A) of section 3317.03 of the Revised Code, as adjusted, if so ordered, under division (K) of that section~~ "formula ADM" as defined in section 3306.02 of the Revised Code. "Formula ADM" means, for a joint vocational school district, the final number verified by the superintendent of public instruction, based on the number reported pursuant to division (D) of section 3317.03 of the Revised Code, as adjusted, if so ordered, under division (K) of that section. ~~Beginning in fiscal year 2007, for payments in which formula ADM is a factor, the formula ADM for each school district for the fiscal year is the sum of one-half of the number verified and adjusted for October of that fiscal year plus one-half of the average of the numbers verified and adjusted for October and February of that fiscal year.~~ For purposes of the calculation of payments to or adjustments for a city, exempted village, local, or joint vocational school district under this chapter or under Chapter 3306. of the Revised Code, calculations required under Chapter 3318. of the Revised Code, or adjustments required under Chapter 3365. of the Revised Code, the department of education shall use the district's formula ADM for the previous fiscal year, unless the district's average daily membership reported and verified for the current fiscal year is at least two per cent greater than the formula ADM reported for the previous fiscal year, in which case the department shall use the district's formula ADM for the current fiscal year.

(E) "Three-year average formula ADM" means the average of formula ADMs for the preceding three fiscal years.

(F)(1) "Category one special education ADM" means the average daily membership of children with disabilities receiving special education services for the disability specified in division ~~(A)~~ (D)(1) of section ~~3317.013~~ 3306.02 of the Revised Code and reported under division (B)(5) or (D)(2)(b) of section 3317.03 of the Revised Code. ~~Beginning in fiscal year 2007, the district's category one special education ADM for a fiscal year is the sum of one-half of the number reported for October of that fiscal year plus one-half of the average of the numbers reported for October and February of that fiscal year.~~

(2) "Category two special education ADM" means the average daily membership of children with disabilities receiving special education services for those disabilities specified in division ~~(B)~~ (D)(2) of section ~~3317.013~~ 3306.02 of the Revised Code and reported under division (B)(6) or (D)(2)(c) of section 3317.03 of the Revised Code. ~~Beginning in fiscal year 2007, the district's category two special education ADM for a fiscal year is the sum of one-half of~~

~~the number reported for October of that fiscal year plus one-half of the average of the numbers reported for October and February of that fiscal year.~~

(3) "Category three special education ADM" means the average daily membership of students receiving special education services for those disabilities specified in division ~~(C)~~ (D)(3) of section ~~3317.013~~ 3306.02 of the Revised Code, and reported under division (B)(7) or (D)(2)(d) of section 3317.03 of the Revised Code. ~~Beginning in fiscal year 2007, the district's category three special education ADM for a fiscal year is the sum of one-half of the number reported for October of that fiscal year plus one-half of the average of the numbers reported for October and February of that fiscal year.~~

(4) "Category four special education ADM" means the average daily membership of students receiving special education services for those disabilities specified in division (D) (4) of section ~~3317.013~~ 3306.02 of the Revised Code and reported under division (B)(8) or (D)(2)(e) of section 3317.03 of the Revised Code. ~~Beginning in fiscal year 2007, the district's category four special education ADM for a fiscal year is the sum of one-half of the number reported for October of that fiscal year plus one-half of the average of the numbers reported for October and February of that fiscal year.~~

(5) "Category five special education ADM" means the average daily membership of students receiving special education services for the disabilities specified in division ~~(E)~~ (D)(5) of section ~~3317.013~~ 3306.02 of the Revised Code and reported under division (B)(9) or (D)(2)(f) of section 3317.03 of the Revised Code. ~~Beginning in fiscal year 2007, the district's category five special education ADM for a fiscal year is the sum of one-half of the number reported for October of that fiscal year plus one-half of the average of the numbers reported for October and February of that fiscal year.~~

(6) "Category six special education ADM" means the average daily membership of students receiving special education services for the disabilities specified in division ~~(F)~~ (D)(6) of section ~~3317.013~~ 3306.02 of the Revised Code and reported under division (B)(10) or (D)(2)(g) of section 3317.03 of the Revised Code. ~~Beginning in fiscal year 2007, the district's category six special education ADM for a fiscal year is the sum of one-half of the number reported for October of that fiscal year plus one-half of the average of the numbers reported for October and February of that fiscal year.~~

(7) "Category one vocational education ADM" means the average daily membership of students receiving vocational education services described in division (A) of section 3317.014 of the Revised Code and reported under division (B)(11) or (D)(2)(h) of section 3317.03 of the Revised Code. ~~Beginning in fiscal year 2007, the district's category one vocational education ADM for a fiscal year is the sum of one-half of the number reported for October of that fiscal year plus one-half of the average of the numbers reported for October and February of that fiscal year.~~

(8) "Category two vocational education ADM" means the average daily membership of students receiving vocational education services described in

division (B) of section 3317.014 of the Revised Code and reported under division (B)(12) or (D)(2)(i) of section 3317.03 of the Revised Code. ~~Beginning in fiscal year 2007, the district's category two vocational education ADM for a fiscal year is the sum of one-half of the number reported for October of that fiscal year plus one-half of the average of the numbers reported for October and February of that fiscal year.~~

(G) "Preschool child with a disability" means a child with a disability, as defined in section 3323.01 of the Revised Code, who is at least age three but is not of compulsory school age, as defined in section 3321.01 of the Revised Code, and who is not currently enrolled in kindergarten.

(H) "County MR/DD board" means a county board of mental retardation and developmental disabilities.

(I) "Recognized valuation" means the amount calculated for a school district pursuant to section 3317.015 of the Revised Code.

(J) "Transportation ADM" means the number of children reported under division (B)(13) of section 3317.03 of the Revised Code.

(K) "Average efficient transportation use cost per student" means a statistical representation of transportation costs as calculated under division (D)(2) of section 3317.022 of the Revised Code.

(L) "Taxes charged and payable" means the taxes charged and payable against real and public utility property after making the reduction required by section 319.301 of the Revised Code, plus the taxes levied against tangible personal property.

(M) "Total taxable value" means the sum of the amounts certified for a city, local, exempted village, or joint vocational school district under divisions (A)(1) and (2) of section 3317.021 of the Revised Code.

(N) "Tax exempt value" of a school district means the amount certified for a school district under division (A)(4) of section 3317.021 of the Revised Code.

(O) "Potential value" of a school district means the recognized valuation of a school district plus the tax exempt value of the district.

(P) "District median income" means the median Ohio adjusted gross income certified for a school district. On or before the first day of July of each year, the tax commissioner shall certify to the department of education and the office of budget and management for each city, exempted village, and local school district the median Ohio adjusted gross income of the residents of the school district determined on the basis of tax returns filed for the second preceding tax year by the residents of the district.

(Q) "Statewide median income" means the median district median income of all city, exempted village, and local school districts in the state.

(R) "Income factor" for a city, exempted village, or local school district means the quotient obtained by dividing that district's median income by the statewide median income.

(S) "Medically fragile child" means a child to whom all of the following apply:

(1) The child requires the services of a doctor of medicine or osteopathic medicine at least once a week due to the instability of the child's medical condition.

(2) The child requires the services of a registered nurse on a daily basis.

(3) The child is at risk of institutionalization in a hospital, skilled nursing facility, or intermediate care facility for the mentally retarded.

(T) A child may be identified as having an "other health impairment-major" if the child's condition meets the definition of "other health impaired" established in rules adopted by the state board of education prior to July 1, 2001, and if either of the following apply:

(1) The child is identified as having a medical condition that is among those listed by the superintendent of public instruction as conditions where a substantial majority of cases fall within the definition of "medically fragile child." The superintendent of public instruction shall issue an initial list no later than September 1, 2001.

(2) The child is determined by the superintendent of public instruction to be a medically fragile child. A school district superintendent may petition the superintendent of public instruction for a determination that a child is a medically fragile child.

(U) A child may be identified as having an "other health impairment-minor" if the child's condition meets the definition of "other health impaired" established in rules adopted by the state board of education prior to July 1, 2001, but the child's condition does not meet either of the conditions specified in division (T)(1) or (2) of this section.

(V) "State education aid" has the same meaning as in section 5751.20 of the Revised Code.

(W) "Property exemption value" means zero in fiscal year 2006, and in fiscal year 2007 and each fiscal year thereafter, the amount certified for a school district under divisions (A)(6) and (7) of section 3317.021 of the Revised Code.

(X) "Internet- or computer-based community school" has the same meaning as in section 3314.02 of the Revised Code.

(Y) "State share percentage" has the same meaning as in section 3306.02 of the Revised Code."

In line 39630, strike through "(A)" and insert " The information certified under this section shall be used to calculate payments under this chapter and

Chapter 3306. of the Revised Code.

(A)"

In line 39640, after " chapter" insert " and Chapter 3306."

In line 39852, after "in" insert " division (A)(1) of section 3306.01 and"

In line 39863, after the first "of" insert " division (A)(1) of section 3306.01 and"

In line 39974, strike through all after "(2)"

Strike through lines 39975 through 39991

In line 39992, strike through "(3)"

In line 40013, strike through "(4)" and insert " (3)"

In line 40021, strike through "(5)" and insert " (4)"

In line 40057, strike through "in fiscal years 2008 and 2009"

In line 40059, strike through "in"

In line 40060, strike through "fiscal years 2008 and 2009"

Between lines 40291 and 40292, insert:

"**Sec. 3317.023.** (A) ~~Notwithstanding section 3317.022 of the Revised Code, the~~ The amounts required to be paid to a district under this chapter and Chapter 3306. of the Revised Code shall be adjusted by the amount of the computations made under divisions (B) to (N) of this section. The department of education shall not make payments or adjustments under divisions (B), (C), and (D) of this section for any fiscal year after fiscal year 2009.

As used in this section:

(1) "Classroom teacher" means a licensed employee who provides direct instruction to pupils, excluding teachers funded from money paid to the district from federal sources; educational service personnel; and vocational and special education teachers.

(2) "Educational service personnel" shall not include such specialists funded from money paid to the district from federal sources or assigned full-time to vocational or special education students and classes and may only include those persons employed in the eight specialist areas in a pattern approved by the department of education under guidelines established by the state board of education.

(3) "Annual salary" means the annual base salary stated in the state minimum salary schedule for the performance of the teacher's regular teaching duties that the teacher earns for services rendered for the first full week of October of the fiscal year for which the adjustment is made under division (C) of this section. It shall not include any salary payments for supplemental teachers contracts.

(4) "Regular student population" means the formula ADM plus the number of students reported as enrolled in the district pursuant to division (A)(1) of section 3313.981 of the Revised Code; minus the number of students reported under division (A)(2) of section 3317.03 of the Revised Code; minus the FTE of students reported under division (B)(6), (7), (8), (9), (10), (11), or (12) of that section who are enrolled in a vocational education class or receiving special education; and minus twenty per cent of the students enrolled concurrently in a joint vocational school district.

(5) ~~"State share percentage" has the same meaning as in section 3317.022 of the Revised Code.~~

~~(6)~~ "VEPD" means a school district or group of school districts designated by the department of education as being responsible for the planning for and provision of vocational education services to students within the district or group.

~~(7)~~ (6) "Lead district" means a school district, including a joint vocational school district, designated by the department as a VEPD, or designated to provide primary vocational education leadership within a VEPD composed of a group of districts.

(B) If the district employs less than one full-time equivalent classroom teacher for each twenty-five pupils in the regular student population in any school district, deduct the sum of the amounts obtained from the following computations:

(1) Divide the number of the district's full-time equivalent classroom teachers employed by one twenty-fifth;

(2) Subtract the quotient in (1) from the district's regular student population;

(3) Multiply the difference in (2) by seven hundred fifty-two dollars.

(C) If a positive amount, add one-half of the amount obtained by multiplying the number of full-time equivalent classroom teachers by:

(1) The mean annual salary of all full-time equivalent classroom teachers employed by the district at their respective training and experience levels minus;

(2) The mean annual salary of all such teachers at their respective levels in all school districts receiving payments under this section.

The number of full-time equivalent classroom teachers used in this computation shall not exceed one twenty-fifth of the district's regular student population. In calculating the district's mean salary under this division, those full-time equivalent classroom teachers with the highest training level shall be counted first, those with the next highest training level second, and so on, in descending order. Within the respective training levels, teachers with the highest years of service shall be counted first, the next highest years of service second, and so on, in descending order.

(D) This division does not apply to a school district that has entered into an agreement under division (A) of section 3313.42 of the Revised Code. Deduct the amount obtained from the following computations if the district employs fewer than five full-time equivalent educational service personnel, including elementary school art, music, and physical education teachers, counselors, librarians, visiting teachers, school social workers, and school nurses for each one thousand pupils in the regular student population:

(1) Divide the number of full-time equivalent educational service personnel employed by the district by five one-thousandths;

(2) Subtract the quotient in (1) from the district's regular student population;

(3) Multiply the difference in (2) by ninety-four dollars.

(E) If a local school district, or a city or exempted village school district to which a governing board of an educational service center provides services pursuant to section 3313.843 of the Revised Code, deduct the amount of the payment required for the reimbursement of the governing board under section 3317.11 of the Revised Code.

(F)(1) If the district is required to pay to or entitled to receive tuition from another school district under division (C)(2) or (3) of section 3313.64 or section 3313.65 of the Revised Code, or if the superintendent of public instruction is required to determine the correct amount of tuition and make a deduction or credit under section 3317.08 of the Revised Code, deduct and credit such amounts as provided in division (J) of section 3313.64 or section 3317.08 of the Revised Code.

(2) For each child for whom the district is responsible for tuition or payment under division (A)(1) of section 3317.082 or section 3323.091 of the Revised Code, deduct the amount of tuition or payment for which the district is responsible.

(G) If the district has been certified by the superintendent of public instruction under section 3313.90 of the Revised Code as not in compliance with the requirements of that section, deduct an amount equal to ten per cent of the amount computed for the district under ~~section 3317.022~~ Chapter 3306. of the Revised Code.

(H) If the district has received a loan from a commercial lending institution for which payments are made by the superintendent of public instruction pursuant to division (E)(3) of section 3313.483 of the Revised Code, deduct an amount equal to such payments.

(I)(1) If the district is a party to an agreement entered into under division (D), (E), or (F) of section 3311.06 or division (B) of section 3311.24 of the Revised Code and is obligated to make payments to another district under such an agreement, deduct an amount equal to such payments if the district school board notifies the department in writing that it wishes to have such payments

deducted.

(2) If the district is entitled to receive payments from another district that has notified the department to deduct such payments under division (I)(1) of this section, add the amount of such payments.

(J) If the district is required to pay an amount of funds to a cooperative education district pursuant to a provision described by division (B)(4) of section 3311.52 or division (B)(8) of section 3311.521 of the Revised Code, deduct such amounts as provided under that provision and credit those amounts to the cooperative education district for payment to the district under division (B)(1) of section 3317.19 of the Revised Code.

(K)(1) If a district is educating a student entitled to attend school in another district pursuant to a shared education contract, compact, or cooperative education agreement other than an agreement entered into pursuant to section 3313.842 of the Revised Code, credit to that educating district on an FTE basis both of the following:

(a) An amount equal to the ~~sum of the~~ formula amount ~~plus the per pupil amount of the base funding supplements specified in divisions (C)(1) to (4) of section 3317.012 of the Revised Code~~.

(b) An amount equal to the current formula amount times the state share percentage times any multiple applicable to the student pursuant to section ~~3317.013 or 3317.014~~ 3306.11 of the Revised Code.

(2) Deduct any amount credited pursuant to division (K)(1) of this section from amounts paid to the school district in which the student is entitled to attend school pursuant to section 3313.64 or 3313.65 of the Revised Code.

(3) If the district is required by a shared education contract, compact, or cooperative education agreement to make payments to an educational service center, deduct the amounts from payments to the district and add them to the amounts paid to the service center pursuant to section 3317.11 of the Revised Code.

(L)(1) If a district, including a joint vocational school district, is a lead district of a VEPD, credit to that district the amounts calculated for all the school districts within that VEPD pursuant to division (E)(2) of section 3317.022 of the Revised Code.

(2) Deduct from each appropriate district that is not a lead district, the amount attributable to that district that is credited to a lead district under division (L)(1) of this section.

(M) If the department pays a joint vocational school district under division (G)(4) of section 3317.16 of the Revised Code for excess costs of providing special education and related services to a student with a disability, as calculated under division (G)(2) of that section, the department shall deduct the amount of that payment from the city, local, or exempted village school district

that is responsible as specified in that section for the excess costs.

(N)(1) If the district reports an amount of excess cost for special education services for a child under division (C) of section 3323.14 of the Revised Code, the department shall pay that amount to the district.

(2) If the district reports an amount of excess cost for special education services for a child under division (C) of section 3323.14 of the Revised Code, the department shall deduct that amount from the district of residence of that child.

Sec. 3317.024. ~~In addition to the moneys paid to eligible school districts pursuant to section 3317.022 of the Revised Code, moneys appropriated for the education programs in divisions (A) to (I), (K), (L), and (N) of this section shall be distributed to school districts meeting the requirements of section 3317.01 of the Revised Code; in the case of divisions (G) and (L) of this section, to educational service centers as provided in section 3317.11 of the Revised Code; in the case of divisions (D) and (J) of this section, to county MR/DD boards; in the case of division (N) of this section, to joint vocational school districts; in the case of division (H) of this section, to cooperative education school districts; and in the case of division (M) of this section, to the institutions defined under section 3317.082 of the Revised Code providing elementary or secondary education programs to children other than children receiving special education under section 3323.091 of the Revised Code.~~ The following shall be distributed monthly, quarterly, or annually as may be determined by the state board of education , except that the department of education shall not make payments under divisions (F), (L), and (N) of this section for any fiscal year after fiscal year 2009:

(A) An amount for each island school district and each joint state school district for the operation of each high school and each elementary school maintained within such district and for capital improvements for such schools. Such amounts shall be determined on the basis of standards adopted by the state board of education.

(B) An amount for each school district operating classes for children of migrant workers who are unable to be in attendance in an Ohio school during the entire regular school year. The amounts shall be determined on the basis of standards adopted by the state board of education, except that payment shall be made only for subjects regularly offered by the school district providing the classes.

(C) An amount for each school district with guidance, testing, and counseling programs approved by the state board of education. The amount shall be determined on the basis of standards adopted by the state board of education.

(D) An amount for the emergency purchase of school buses as provided for in section 3317.07 of the Revised Code;

(E) An amount for each school district required to pay tuition for a child

in an institution maintained by the department of youth services pursuant to section 3317.082 of the Revised Code, provided the child was not included in the calculation of the district's average daily membership for the preceding school year.

(F) An amount for adult basic literacy education for each district participating in programs approved by the state board of education. The amount shall be determined on the basis of standards adopted by the state board of education.

(G) An amount for the approved cost of transporting eligible pupils with disabilities attending a special education program approved by the department of education whom it is impossible or impractical to transport by regular school bus in the course of regular route transportation provided by the district or service center. No district or service center is eligible to receive a payment under this division for the cost of transporting any pupil whom it transports by regular school bus and who is included in the district's transportation ADM. The state board of education shall establish standards and guidelines for use by the department of education in determining the approved cost of such transportation for each district or service center.

(H) An amount to each school district, including each cooperative education school district, pursuant to section 3313.81 of the Revised Code to assist in providing free lunches to needy children and an amount to assist needy school districts in purchasing necessary equipment for food preparation. The amounts shall be determined on the basis of rules adopted by the state board of education.

(I) An amount to each school district, for each pupil attending a chartered nonpublic elementary or high school within the district. The amount shall equal the amount appropriated for the implementation of section 3317.06 of the Revised Code divided by the average daily membership in grades kindergarten through twelve in nonpublic elementary and high schools within the state as determined during the first full week in October of each school year.

(J) An amount for each county MR/DD board, distributed on the basis of standards adopted by the state board of education, for the approved cost of transportation required for children attending special education programs operated by the county MR/DD board under section 3323.09 of the Revised Code;

(K) An amount for each school district that establishes a mentor teacher program that complies with rules of the state board of education. No school district shall be required to establish or maintain such a program in any year unless sufficient funds are appropriated to cover the district's total costs for the program.

(L) An amount to each school district or educational service center for the total number of gifted units approved pursuant to section 3317.05 of the Revised Code. The amount for each such unit shall be the sum of the minimum

salary for the teacher of the unit, calculated on the basis of the teacher's training level and years of experience pursuant to the salary schedule prescribed in the version of section 3317.13 of the Revised Code in effect prior to July 1, 2001, plus fifteen per cent of that minimum salary amount, plus two thousand six hundred seventy-eight dollars.

(M) An amount to each institution defined under section 3317.082 of the Revised Code providing elementary or secondary education to children other than children receiving special education under section 3323.091 of the Revised Code. This amount for any institution in any fiscal year shall equal the total of all tuition amounts required to be paid to the institution under division (A)(1) of section 3317.082 of the Revised Code.

(N) A grant to each school district and joint vocational school district that operates a "graduation, reality, and dual-role skills" (GRADS) program for pregnant and parenting students that is approved by the department. The amount of the payment shall be the district's state share percentage, as defined in section 3317.022 or 3317.16 of the Revised Code, times the GRADS personnel allowance times the full-time-equivalent number of GRADS teachers approved by the department. The GRADS personnel allowance is $47,555 in fiscal years 2008 and 2009. The GRADS program shall include instruction on adoption as an option for unintended pregnancies.

The state board of education or any other board of education or governing board may provide for any resident of a district or educational service center territory any educational service for which funds are made available to the board by the United States under the authority of public law, whether such funds come directly or indirectly from the United States or any agency or department thereof or through the state or any agency, department, or political subdivision thereof.

Sec. 3317.025. On or before the first day of June of each year, the tax commissioner shall certify the following information to the department of education and the office of budget and management, for each school district in which the value of the property described under division (A) of this section exceeds one per cent of the taxable value of all real and tangible personal property in the district or in which is located tangible personal property designed for use or used in strip mining operations, whose taxable value exceeds five million dollars, and the taxes upon which the district is precluded from collecting by virtue of legal proceedings to determine the value of such property:

(A) The total taxable value of all property in the district owned by a public utility or railroad that has filed a petition for reorganization under the "Bankruptcy Act," 47 Stat. 1474 (1898), 11 U.S.C. 205, as amended, and all tangible personal property in the district designed for use or used in strip mining operations whose taxable value exceeds five million dollars upon which have not been paid in full on or before the first day of April of that calendar year all real and tangible personal property taxes levied for the preceding calendar year and which the district was precluded from collecting by virtue of proceedings under

section 205 of said act or by virtue of legal proceedings to determine the tax liability of such strip mining equipment;

(B) The percentage of the total operating taxes charged and payable for school district purposes levied against such valuation for the preceding calendar year that have not been paid by such date;

(C) The product obtained by multiplying the value certified under division (A) of this section by the percentage certified under division (B) of this section. If the value certified under division (A) of this section includes taxable property owned by a public utility or railroad that has filed a petition for reorganization under the bankruptcy act, the amount used in making the calculation under this division shall be reduced by one per cent of the total value of all real and tangible personal property in the district or the value of the utility's or railroad's property, whichever is less.

Upon receipt of the certification, the department shall recompute the payments required under ~~section 3317.022~~ Chapter 3306. of the Revised Code in the manner the payments would have been computed if:

(1) The amount certified under division (C) of this section was not subject to taxation by the district and was not included in the certification made under division (A)(1), (A)(2), or (D) of section 3317.021 of the Revised Code.

(2) The amount of taxes charged and payable and unpaid and used to make the computation under division (B) of this section had not been levied and had not been used in the computation required by division (B) of section 3317.021 of the Revised Code. The department shall pay the district that amount in the ensuing fiscal year in lieu of the amounts computed under ~~section 3317.022~~ Chapter 3306. of the Revised Code.

If a school district received a grant from the catastrophic expenditures account pursuant to division (C) of section 3316.20 of the Revised Code on the basis of the same circumstances for which a recomputation is made under this section, the amount of the recomputation shall be reduced and transferred in accordance with division (C) of section 3316.20 of the Revised Code.

Sec. 3317.0210. (A) As used in this section:

(1) "Bankruptcy Reform Act" means the "Bankruptcy Reform Act of 1978," 92 Stat. 2558, 11 U.S.C. 301, as amended.

(2) "Chapter 11 corporation" means a corporation, company, or other business organization that has filed a petition for reorganization under Chapter 11 of the "Bankruptcy Reform Act," 92 Stat. 2626, 11 U.S.C. 1101, as amended.

(3) "Uncollectable taxes" means property taxes payable in a calendar year by a Chapter 11 corporation on its property that a school district is precluded from collecting by virtue of proceedings under the Bankruptcy Reform Act.

(4) "Basic state aid" means the state aid calculated for a school district under ~~section 3317.022~~ Chapter 3306. of the Revised Code.

(5) "Effective value" means the amount obtained by multiplying the total taxable value certified in a calendar year under section 3317.021 of the Revised Code by a fraction, the numerator of which is the total taxes charged and payable in that calendar year exclusive of the uncollectable taxes payable in that year, and the denominator of which is the total taxes charged and payable in that year.

(6) "Total taxes charged and payable" has the same meaning given "taxes charged and payable" in section 3317.02 of the Revised Code.

(B)(1) Between the first day of January and the first day of February of any year, a school district shall notify the department of education if it has uncollectable taxes payable in the preceding calendar year from one Chapter 11 corporation.

(2) The department shall verify whether the district has such uncollectable taxes from such a corporation, and if the district does, shall immediately request the tax commissioner to certify the district's total taxes charged and payable in the preceding calendar year, and the tax commissioner shall certify that information to the department within thirty days after receiving the request. For the purposes of this section, taxes are payable in the calendar year that includes the day prescribed by law for their payment, including any lawful extension thereof.

(C) Upon receiving the certification from the tax commissioner, the department shall determine whether the amount of uncollectable taxes from the corporation equals at least one per cent of the total taxes charged and payable as certified by the tax commissioner. If it does, the department shall compute the district's effective value and shall recompute the basic state aid payable to the district for the current fiscal year using the effective value in lieu of the total taxable value used to compute the basic state aid for the current fiscal year. The difference between the basic state aid amount originally computed for the district for the current fiscal year and the recomputed amount shall be paid to the district from the lottery profits education fund before the end of the current fiscal year.

(D) Except as provided in division (E) of this section, amounts received by a school district under division (C) of this section shall be repaid to the department of education in any future year to the extent the district receives payments of uncollectable taxes in such future year. The district shall notify the department of any amount owed under this division.

(E) If a school district received a grant from the catastrophic expenditures account pursuant to division (C) of section 3316.20 of the Revised Code on the basis of the same circumstances for which a recomputation is made under this section, the amount of the recomputation shall be reduced and transferred in accordance with division (C) of section 3316.20 of the Revised Code.

Sec. 3317.0211. (A) As used in this section:

(1) "Port authority" means any port authority as defined in section 4582.01 or 4582.21 of the Revised Code.

(2) "Real property" includes public utility real property and "personal property" includes public utility personal property.

(3) "Uncollected taxes" means property taxes charged and payable against the property of a port authority for a tax year that a school district has not collected.

(4) "Basic state aid" means the state aid calculated for a school district under ~~section 3317.022~~ Chapter 3306. of the Revised Code.

(5) "Effective value" means the sum of the effective residential/agricultural real property value, the effective nonresidential/agricultural real property value, and the effective personal value.

(6) "Effective residential/agricultural real property value" means, for a tax year, the amount obtained by multiplying the value for that year of residential/agricultural real property subject to taxation in the district by a fraction, the numerator of which is the total taxes charged and payable for that year against the residential/agricultural real property subject to taxation in the district, exclusive of the uncollected taxes for that year on all real property subject to taxation in the district, and the denominator of which is the total taxes charged and payable for that year against the residential/agricultural real property subject to taxation in the district.

(7) "Effective nonresidential/agricultural real property value" means, for a tax year, the amount obtained by multiplying the value for that year of nonresidential/agricultural real property subject to taxation in the district by a fraction, the numerator of which is the total taxes charged and payable for that year against the nonresidential/agricultural real property subject to taxation in the district, exclusive of the uncollected taxes for that year on all real property subject to taxation in the district, and the denominator of which is the total taxes charged and payable for that year against the nonresidential/agricultural real property subject to taxation in the district.

(8) "Effective personal value" means, for a tax year, the amount obtained by multiplying the value for that year certified under division (A)(2) of section 3317.021 of the Revised Code by a fraction, the numerator of which is the total taxes charged and payable for that year against personal property subject to taxation in the district, exclusive of the uncollected taxes for that year on that property, and the denominator of which is the total taxes charged and payable for that year against personal property subject to taxation in the district.

(9) "Nonresidential/agricultural real property value" means, for a tax year, the sum of the values certified for a school district for that year under division (B)(2)(a) of this section, and "residential/agricultural real property value" means, for a tax year, the sum of the values certified for a school district under division (B)(2)(b) of this section.

(10) "Taxes charged and payable against real property" means the taxes charged and payable against that property after making the reduction required by

section 319.301 of the Revised Code.

(11) "Total taxes charged and payable" has the same meaning given "taxes charged and payable" in section 3317.02 of the Revised Code.

(B)(1) By the first day of August of any calendar year, a school district shall notify the department of education if it has any uncollected taxes from one port authority for the second preceding tax year whose taxes charged and payable represent at least one-half of one per cent of the district's total taxes charged and payable for that tax year.

(2) The department shall verify whether the district has such uncollected taxes by the first day of September, and if the district does, shall immediately request the county auditor of each county in which the school district has territory to certify the following information concerning the district's property values and taxes for the second preceding tax year, and each such auditor shall certify that information to the department within thirty days of receiving the request:

(a) The value of the property subject to taxation in the district that was classified as nonresidential/agricultural real property pursuant to section 5713.041 of the Revised Code, and the taxes charged and payable on that property; and

(b) The value of the property subject to taxation in the district that was classified as residential/agricultural real property under section 5713.041 of the Revised Code.

(C) By the fifteenth day of November, the department shall compute the district's effective nonresidential/agricultural real property value, effective residential/agricultural real property value, effective personal value, and effective value, and shall determine whether the school district's effective value for the second preceding tax year is at least one per cent less than its total value for that year certified under divisions (A)(1) and (2) of section 3317.021 of the Revised Code. If it is, the department shall recompute the basic state aid payable to the district for the immediately preceding fiscal year using the effective value in lieu of the amounts previously certified under section 3317.021 of the Revised Code. The difference between the original basic state aid amount computed for the district for the preceding fiscal year and the recomputed amount shall be paid to the district from the lottery profits education fund before the end of the current fiscal year.

(D) Except as provided in division (E) of this section, amounts received by a school district under division (C) of this section shall be repaid to the department of education in any future year to the extent the district receives payments of uncollectable taxes in such future year. The department shall notify a district of any amount owed under this division.

(E) If a school district received a grant from the catastrophic expenditures account pursuant to division (C) of section 3316.20 of the Revised Code on the

basis of the same circumstances for which a recomputation is made under this section, the amount of the recomputation shall be reduced and transferred in accordance with division (C) of section 3316.20 of the Revised Code.

Sec. 3317.0216. (A) As used in this section:

(1) "Total taxes charged and payable for current expenses" means the sum of ~~the~~ :

(a) The taxes charged and payable as certified under division (A)(3)(a) of section 3317.021 of the Revised Code less any amounts reported under division (A)(3)(b) of that section ~~, and the~~ ; plus

(b) The tax distribution for the preceding year under any school district income tax levied by the district pursuant to Chapter 5748. of the Revised Code to the extent the revenue from the income tax is allocated or apportioned to current expenses , excluding the amount allocated or apportioned for the project cost, debt service, or maintenance set-aside associated with a state-assisted classroom facilities project as authorized by section 3318.052 of the Revised Code.

(2) "Charge-off amount" means two and three-tenths per cent multiplied by (the sum of recognized valuation and property exemption value).

(3) Until fiscal year 2003, the "actual local share of special education, transportation, and vocational education funding" for any school district means the sum of the district's attributed local shares described in divisions (F)(1) to (3) of section 3317.022 of the Revised Code. Beginning in fiscal year 2003, the "actual local share of special education, transportation, and vocational education funding" means that sum minus the amount of any excess cost supplement payment calculated for the district under division (F) of section 3317.022 of the Revised Code.

(B) Upon receiving the certifications under section 3317.021 of the Revised Code, the department of education shall determine for each city, local, and exempted village school district whether the district's charge-off amount is greater than the district's total taxes charged and payable for current expenses, and if the charge-off amount is greater, shall pay the district the amount of the difference. A payment shall not be made to any school district for which the computation under division (A) of section 3317.022 of the Revised Code equals zero.

(C)(1) If a district's charge-off amount is equal to or greater than its total taxes charged and payable for current expenses, the department shall, in addition to the payment required under division (B) of this section, pay the district the amount of its actual local share of special education, transportation, and vocational education funding.

(2) If a district's charge-off amount is less than its total taxes charged and payable for current expenses, the department shall pay the district any amount by which its actual local share of special education, transportation, and vocational

education funding exceeds its total taxes charged and payable for current expenses minus its charge-off amount.

(D) If a school district that received a payment under division (B) or (C) of this section in the prior fiscal year is ineligible for payment under those divisions in the current fiscal year, the department shall determine if the ineligibility is the result of a property tax or income tax levy approved by the district's voters to take effect in tax year 2005 or thereafter. If the department determines that is the case, and calculates that the levy causing the ineligibility exceeded by at least one mill the equivalent millage of the prior year's payment under divisions (B) and (C) of this section, the department shall make a payment to the district for the first three years that the district loses eligibility for payment under divisions (B) and (C) of this section, as follows:

(1) In the first year of ineligibility, the department shall pay the district seventy-five per cent of the amount it last paid the district under divisions (B) and (C) of this section.

(2) In the second year of ineligibility, the department shall pay the district fifty per cent of the amount it last paid the district under those divisions.

(3) In the third year of ineligibility, the department shall pay the district twenty-five per cent of the amount it last paid the district under those divisions.

(E) A district that receives payment under division (D) of this section and subsequently qualifies for payment under division (B) or (C) of this section is ineligible for future payments under division (D) of this section.

(F) To enable the department of education to make the determinations and to calculate payments under division (D) of this section, on March 30, 2006, and on or before the first day of March of each year thereafter, the department shall send to the tax commissioner a list of school districts receiving payments under division (B) or (C) of this section for the current fiscal year. On or before the first day of the following June, the tax commissioner shall certify to the department of education for those school districts the information required by division (A)(8) of section 3317.021 of the Revised Code."

Delete lines 40292 through 40919 and insert:

"**Sec. 3317.03.** ~~Notwithstanding divisions (A)(1), (B)(1), and (C) of this section, except as provided in division (A)(2)(h) of this section, any student enrolled in kindergarten more than half-time shall be reported as one-half student under this section~~ The information certified and verified under this section shall be used to calculate payments under this chapter and Chapter 3306. of the Revised Code.

(A) The superintendent of each city , local, and exempted village school district and of each educational service center shall, for the schools under the superintendent's supervision, certify to the state board of education on or before the fifteenth day of October in each year for the first full school week in October the average daily membership of students receiving services from schools under

the superintendent's supervision, and the numbers of other students entitled to attend school in the district under section 3313.64 or 3313.65 of the Revised Code the superintendent is required to report under this section, so that the department of education can calculate the district's formula ADM. ~~Beginning in fiscal year 2007, each superintendent also shall certify to the state board, for the schools under the superintendent's supervision, the formula ADM for the first full week in February.~~ If a school under the superintendent's supervision is closed for one or more days during that week due to hazardous weather conditions or other circumstances described in the first paragraph of division (B) of section 3317.01 of the Revised Code, the superintendent may apply to the superintendent of public instruction for a waiver, under which the superintendent of public instruction may exempt the district superintendent from certifying the ~~formula ADM~~ average daily membership for that school for that week and specify an alternate week for certifying the ~~formula ADM~~ average daily membership of that school.

The ~~formula ADM shall consist of the~~ average daily membership during such week shall consist of the sum of the following:

(1) On an FTE basis, the number of students in grades kindergarten through twelve receiving any educational services from the district, except that the following categories of students shall not be included in the determination:

(a) Students enrolled in adult education classes;

(b) Adjacent or other district students enrolled in the district under an open enrollment policy pursuant to section 3313.98 of the Revised Code;

(c) Students receiving services in the district pursuant to a compact, cooperative education agreement, or a contract, but who are entitled to attend school in another district pursuant to section 3313.64 or 3313.65 of the Revised Code;

(d) Students for whom tuition is payable pursuant to sections 3317.081 and 3323.141 of the Revised Code;

(e) Students receiving services in the district through a scholarship awarded under section 3310.41 of the Revised Code.

(2) On an FTE basis, ~~except as provided in division (A)(2)(h) of this section,~~ the number of students entitled to attend school in the district pursuant to section 3313.64 or 3313.65 of the Revised Code, but receiving educational services in grades kindergarten through twelve from one or more of the following entities:

(a) A community school pursuant to Chapter 3314. of the Revised Code, including any participation in a college pursuant to Chapter 3365. of the Revised Code while enrolled in such community school;

(b) An alternative school pursuant to sections 3313.974 to 3313.979 of the Revised Code as described in division (I)(2)(a) or (b) of this section;

(c) A college pursuant to Chapter 3365. of the Revised Code, except when the student is enrolled in the college while also enrolled in a community school pursuant to Chapter 3314. or a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code;

(d) An adjacent or other school district under an open enrollment policy adopted pursuant to section 3313.98 of the Revised Code;

(e) An educational service center or cooperative education district;

(f) Another school district under a cooperative education agreement, compact, or contract;

(g) A chartered nonpublic school with a scholarship paid under section 3310.08 of the Revised Code;

(h) An alternative public provider or a registered private provider with a scholarship awarded under section 3310.41 of the Revised Code. ~~Each such scholarship student who is enrolled in kindergarten shall be counted as one full-time-equivalent student.~~

As used in this section, "alternative public provider" and "registered private provider" have the same meanings as in section 3310.41 of the Revised Code ~~;~~.

(i) A science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code, including any participation in a college pursuant to Chapter 3365. of the Revised Code while enrolled in the school.

(3) ~~Twenty per cent of the~~ The number of students enrolled in a joint vocational school district or under a vocational education compact, excluding any students entitled to attend school in the district under section 3313.64 or 3313.65 of the Revised Code who are enrolled in another school district through an open enrollment policy as reported under division (A)(2)(d) of this section and then enroll in a joint vocational school district or under a vocational education compact;

(4) The number of children with disabilities, other than preschool children with disabilities, entitled to attend school in the district pursuant to section 3313.64 or 3313.65 of the Revised Code who are placed by the district with a county MR/DD board, minus the number of such children placed with a county MR/DD board in fiscal year 1998. If this calculation produces a negative number, the number reported under division (A)(4) of this section shall be zero.

~~(5) Beginning in fiscal year 2007, in the case of the report submitted for the first full week in February, or the alternative week if specified by the superintendent of public instruction, the number of students reported under division (A)(1) or (2) of this section for the first full week of the preceding October but who since that week have received high school diplomas.~~

(B) To enable the department of education to obtain the data needed to

complete the calculation of payments pursuant to this chapter and Chapter 3306. of the Revised Code, in addition to the ~~formula ADM~~ average daily membership, each superintendent shall report separately the following student counts for the same week for which ~~formula ADM~~ average daily membership is certified:

(1) The total average daily membership in regular learning day classes included in the report under division (A)(1) or (2) of this section for each of the individual grades kindergarten ~~, and each of grades one~~ through twelve in schools under the superintendent's supervision;

(2) The number of all preschool children with disabilities enrolled as of the first day of December in classes in the district that are eligible for approval under division (B) of section 3317.05 of the Revised Code and the number of those classes, which shall be reported not later than the fifteenth day of December, in accordance with rules adopted under that section;

(3) The number of children entitled to attend school in the district pursuant to section 3313.64 or 3313.65 of the Revised Code who are:

(a) Participating in a pilot project scholarship program established under sections 3313.974 to 3313.979 of the Revised Code as described in division (I)(2)(a) or (b) of this section;

(b) Enrolled in a college under Chapter 3365. of the Revised Code, except when the student is enrolled in the college while also enrolled in a community school pursuant to Chapter 3314. or a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code;

(c) Enrolled in an adjacent or other school district under section 3313.98 of the Revised Code;

(d) Enrolled in a community school established under Chapter 3314. of the Revised Code that is not an internet- or computer-based community school as defined in section 3314.02 of the Revised Code, including any participation in a college pursuant to Chapter 3365. of the Revised Code while enrolled in such community school;

(e) Enrolled in an internet- or computer-based community school, as defined in section 3314.02 of the Revised Code, including any participation in a college pursuant to Chapter 3365. of the Revised Code while enrolled in the school;

(f) Enrolled in a chartered nonpublic school with a scholarship paid under section 3310.08 of the Revised Code;

(g) Enrolled in kindergarten through grade twelve in an alternative public provider or a registered private provider with a scholarship awarded under section 3310.41 of the Revised Code;

(h) Enrolled as a preschool child with a disability in an alternative public provider or a registered private provider with a scholarship awarded under

section 3310.41 of the Revised Code;

(i) Participating in a program operated by a county MR/DD board or a state institution;

(j) Enrolled in a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code, including any participation in a college pursuant to Chapter 3365. of the Revised Code while enrolled in the school.

(4) The number of pupils enrolled in joint vocational schools;

(5) The average daily membership of children with disabilities reported under division (A)(1) or (2) of this section receiving special education services for the category one disability described in division ~~(A)~~ (D)(1) of section ~~3317.013~~ 3306.02 of the Revised Code;

(6) The average daily membership of children with disabilities reported under division (A)(1) or (2) of this section receiving special education services for category two disabilities described in division ~~(B)~~ (D)(2) of section ~~3317.013~~ 3306.02 of the Revised Code;

(7) The average daily membership of children with disabilities reported under division (A)(1) or (2) of this section receiving special education services for category three disabilities described in division ~~(C)~~ (D)(3) of section ~~3317.013~~ 3306.02 of the Revised Code;

(8) The average daily membership of children with disabilities reported under division (A)(1) or (2) of this section receiving special education services for category four disabilities described in division (D) (4) of section ~~3317.013~~ 3306.02 of the Revised Code;

(9) The average daily membership of children with disabilities reported under division (A)(1) or (2) of this section receiving special education services for the category five disabilities described in division ~~(E)~~ (D)(5) of section ~~3317.013~~ 3306.02 of the Revised Code;

(10) The combined average daily membership of children with disabilities reported under division (A)(1) or (2) and under division (B)(3)(h) of this section receiving special education services for category six disabilities described in division ~~(F)~~ (D)(6) of section ~~3317.013~~ 3306.02 of the Revised Code, including children attending a special education program operated by an alternative public provider or a registered private provider with a scholarship awarded under section 3310.41 of the Revised Code;

(11) The average daily membership of pupils reported under division (A)(1) or (2) of this section enrolled in category one vocational education programs or classes, described in division (A) of section 3317.014 of the Revised Code, operated by the school district or by another district, other than a joint vocational school district, or by an educational service center, excluding any student reported under division (B)(3)(e) of this section as enrolled in an

internet- or computer-based community school, notwithstanding division (C) of section 3317.02 of the Revised Code and division (C)(3) of this section;

(12) The average daily membership of pupils reported under division (A)(1) or (2) of this section enrolled in category two vocational education programs or services, described in division (B) of section 3317.014 of the Revised Code, operated by the school district or another school district, other than a joint vocational school district, or by an educational service center, excluding any student reported under division (B)(3)(e) of this section as enrolled in an internet- or computer-based community school, notwithstanding division (C) of section 3317.02 of the Revised Code and division (C)(3) of this section;

Beginning with fiscal year 2010, vocational education ADM shall not be used to calculate a district's funding but shall be reported under divisions (B)(11) and (12) of this section for statistical purposes.

(13) The average number of children transported by the school district on board-owned or contractor-owned and -operated buses, reported in accordance with rules adopted by the department of education;

(14)(a) The number of children, other than preschool children with disabilities, the district placed with a county MR/DD board in fiscal year 1998;

(b) The number of children with disabilities, other than preschool children with disabilities, placed with a county MR/DD board in the current fiscal year to receive special education services for the category one disability described in division ~~(A)~~ (D)(1) of section ~~3317.013~~ 3306.02 of the Revised Code;

(c) The number of children with disabilities, other than preschool children with disabilities, placed with a county MR/DD board in the current fiscal year to receive special education services for category two disabilities described in division ~~(B)~~ (D)(2) of section ~~3317.013~~ 3306.02 of the Revised Code;

(d) The number of children with disabilities, other than preschool children with disabilities, placed with a county MR/DD board in the current fiscal year to receive special education services for category three disabilities described in division ~~(C)~~ (D)(3) of section ~~3317.013~~ 3306.02 of the Revised Code;

(e) The number of children with disabilities, other than preschool children with disabilities, placed with a county MR/DD board in the current fiscal year to receive special education services for category four disabilities described in division (D) (4) of section ~~3317.013~~ 3306.02 of the Revised Code;

(f) The number of children with disabilities, other than preschool children with disabilities, placed with a county MR/DD board in the current fiscal year to receive special education services for the category five disabilities described in division ~~(E)~~ (D)(5) of section ~~3317.013~~ 3306.02 of the Revised Code;

(g) The number of children with disabilities, other than preschool children with disabilities, placed with a county MR/DD board in the current fiscal year to receive special education services for category six disabilities described in division ~~(F)~~ (D)(6) of section ~~3317.013~~ 3306.02 of the Revised Code.

(C)(1) ~~Except as otherwise provided in this section for kindergarten students, the~~ The average daily membership in divisions (B)(1) to (12) of this section shall be based upon the number of full-time equivalent students. The state board of education shall adopt rules defining full-time equivalent students and for determining the average daily membership therefrom for the purposes of divisions (A), (B), and (D) of this section. Each student enrolled in kindergarten shall be counted as one full-time equivalent student regardless of whether the student is enrolled in a part-day or all-day kindergarten class.

(2) A student enrolled in a community school established under Chapter 3314. or a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code shall be counted in the formula ADM and, if applicable, the category one, two, three, four, five, or six special education ADM of the school district in which the student is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code for the same proportion of the school year that the student is counted in the enrollment of the community school or the science, technology, engineering, and mathematics school for purposes of section 3314.08 or 3326.33 of the Revised Code. Notwithstanding the number of students reported pursuant to division (B)(3)(d), (e), or (j) of this section, the department may adjust the formula ADM of a school district to account for students entitled to attend school in the district under section 3313.64 or 3313.65 of the Revised Code who are enrolled in a community school or a science, technology, engineering, and mathematics school for only a portion of the school year.

(3) No child shall be counted as more than a total of one child in the sum of the average daily memberships of a school district under division (A), divisions (B)(1) to (12), or division (D) of this section, except as follows:

(a) A child with a disability described in division (D) of section ~~3317.013~~ 3306.02 of the Revised Code may be counted both in formula ADM and in category one, two, three, four, five, or six special education ADM and, if applicable, in category one or two vocational education ADM. As provided in division (C) of section 3317.02 of the Revised Code, such a child shall be counted in category one, two, three, four, five, or six special education ADM in the same proportion that the child is counted in formula ADM.

(b) A child enrolled in vocational education programs or classes described in section 3317.014 of the Revised Code may be counted both in formula ADM and category one or two vocational education ADM and, if applicable, in category one, two, three, four, five, or six special education ADM. Such a child shall be counted in category one or two vocational education ADM in the same proportion as the percentage of time that the child spends in the

vocational education programs or classes.

(4) Based on the information reported under this section, the department of education shall determine the total student count, as defined in section 3301.011 of the Revised Code, for each school district.

(D)(1) The superintendent of each joint vocational school district shall certify to the superintendent of public instruction on or before the fifteenth day of October in each year for the first full school week in October the formula ADM , for purposes of section 3318.42 of the Revised Code and for any other purpose prescribed by law for which "formula ADM" of the joint vocational district is a factor. ~~Beginning in fiscal year 2007, each superintendent also shall certify to the state superintendent the formula ADM for the first full week in February.~~ If a school operated by the joint vocational school district is closed for one or more days during that week due to hazardous weather conditions or other circumstances described in the first paragraph of division (B) of section 3317.01 of the Revised Code, the superintendent may apply to the superintendent of public instruction for a waiver, under which the superintendent of public instruction may exempt the district superintendent from certifying the formula ADM for that school for that week and specify an alternate week for certifying the formula ADM of that school.

The formula ADM, except as otherwise provided in this division, shall consist of the average daily membership during such week, on an FTE basis, of the number of students receiving any educational services from the district, including students enrolled in a community school established under Chapter 3314. or a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code who are attending the joint vocational district under an agreement between the district board of education and the governing authority of the community school or the governing body of the science, technology, engineering, and mathematics school and are entitled to attend school in a city, local, or exempted village school district whose territory is part of the territory of the joint vocational district. ~~Beginning in fiscal year 2007, in the case of the report submitted for the first week in February, or the alternative week if specified by the superintendent of public instruction, the superintendent of the joint vocational school district may include the number of students reported under division (D)(1) of this section for the first full week of the preceding October but who since that week have received high school diplomas.~~

The following categories of students shall not be included in the determination made under division (D)(1) of this section:

(a) Students enrolled in adult education classes;

(b) Adjacent or other district joint vocational students enrolled in the district under an open enrollment policy pursuant to section 3313.98 of the Revised Code;

(c) Students receiving services in the district pursuant to a compact,

cooperative education agreement, or a contract, but who are entitled to attend school in a city, local, or exempted village school district whose territory is not part of the territory of the joint vocational district;

(d) Students for whom tuition is payable pursuant to sections 3317.081 and 3323.141 of the Revised Code.

(2) ~~To enable the department of education to obtain the data needed to complete the calculation of payments pursuant to this chapter, in~~ In addition to the formula ADM, each superintendent shall report separately the average daily membership included in the report under division (D)(1) of this section for each of the following categories of students for the same week for which formula ADM is certified:

(a) Students enrolled in each individual grade included in the joint vocational district schools;

(b) Children with disabilities receiving special education services for the category one disability described in division ~~(A)(C)~~ (D)(1) of section ~~3317.013~~ 3306.02 of the Revised Code;

(c) Children with disabilities receiving special education services for the category two disabilities described in division ~~(B)~~ (D)(2) of section ~~3317.013~~ 3306.02 of the Revised Code;

(d) Children with disabilities receiving special education services for category three disabilities described in division ~~(C)~~ (D)(3) of section ~~3317.013~~ 3306.02 of the Revised Code;

(e) Children with disabilities receiving special education services for category four disabilities described in division (D) (4) of section ~~3317.013~~ 3306.02 of the Revised Code;

(f) Children with disabilities receiving special education services for the category five disabilities described in division ~~(E)~~ (D)(5) of section ~~3317.013~~ 3306.02 of the Revised Code;

(g) Children with disabilities receiving special education services for category six disabilities described in division ~~(F)~~ (D)(6) of section ~~3317.013~~ 3306.02 of the Revised Code;

(h) Students receiving category one vocational education services, described in division (A) of section 3317.014 of the Revised Code;

(i) Students receiving category two vocational education services, described in division (B) of section 3317.014 of the Revised Code.

The superintendent of each joint vocational school district shall also indicate the city, local, or exempted village school district in which each joint vocational district pupil is entitled to attend school pursuant to section 3313.64 or 3313.65 of the Revised Code.

(E) In each school of each city, local, exempted village, joint vocational,

and cooperative education school district there shall be maintained a record of school membership, which record shall accurately show, for each day the school is in session, the actual membership enrolled in regular day classes. For the purpose of determining average daily membership, the membership figure of any school shall not include any pupils except those pupils described by division (A) of this section. The record of membership for each school shall be maintained in such manner that no pupil shall be counted as in membership prior to the actual date of entry in the school and also in such manner that where for any cause a pupil permanently withdraws from the school that pupil shall not be counted as in membership from and after the date of such withdrawal. There shall not be included in the membership of any school any of the following:

(1) Any pupil who has graduated from the twelfth grade of a public or nonpublic high school;

(2) Any pupil who is not a resident of the state;

(3) Any pupil who was enrolled in the schools of the district during the previous school year when ~~tests~~ assessments were administered under section 3301.0711 of the Revised Code but did not take one or more of the ~~tests~~ assessments required by that section and was not excused pursuant to division (C)(1) or (3) of that section;

(4) Any pupil who has attained the age of twenty-two years, except for veterans of the armed services whose attendance was interrupted before completing the recognized twelve-year course of the public schools by reason of induction or enlistment in the armed forces and who apply for reenrollment in the public school system of their residence not later than four years after termination of war or their honorable discharge.

If, however, any veteran described by division (E)(4) of this section elects to enroll in special courses organized for veterans for whom tuition is paid under the provisions of federal laws, or otherwise, that veteran shall not be included in average daily membership.

Notwithstanding division (E)(3) of this section, the membership of any school may include a pupil who did not take ~~a test~~ an assessment required by section 3301.0711 of the Revised Code if the superintendent of public instruction grants a waiver from the requirement to take the ~~test~~ assessment to the specific pupil and a parent is not paying tuition for the pupil pursuant to section 3313.6410 of the Revised Code. The superintendent may grant such a waiver only for good cause in accordance with rules adopted by the state board of education.

Except as provided in divisions (B)(2) and (F) of this section, the average daily membership figure of any local, city, exempted village, or joint vocational school district shall be determined by dividing the figure representing the sum of the number of pupils enrolled during each day the school of attendance is actually open for instruction during the week for which the ~~formula ADM~~ average daily membership is being certified by the total number of days the

school was actually open for instruction during that week. For purposes of state funding, "enrolled" persons are only those pupils who are attending school, those who have attended school during the current school year and are absent for authorized reasons, and those children with disabilities currently receiving home instruction.

The average daily membership figure of any cooperative education school district shall be determined in accordance with rules adopted by the state board of education.

(F)(1) If the formula ADM for the first full school week in February is at least three per cent greater than that certified for the first full school week in the preceding October, the superintendent of schools of any city, exempted village, or joint vocational school district or educational service center shall certify such increase to the superintendent of public instruction. Such certification shall be submitted no later than the fifteenth day of February. For the balance of the fiscal year, beginning with the February payments, the superintendent of public instruction shall use the increased formula ADM in calculating or recalculating the amounts to be allocated in accordance with section 3317.022 or 3317.16 of the Revised Code. In no event shall the superintendent use an increased membership certified to the superintendent after the fifteenth day of February. Division (F)(1) of this section does not apply after fiscal year 2006.

(2) If on the first school day of April the total number of classes or units for preschool children with disabilities that are eligible for approval under division (B) of section 3317.05 of the Revised Code exceeds the number of units that have been approved for the year under that division, the superintendent of schools of any city, exempted village, or cooperative education school district or educational service center shall make the certifications required by this section for that day. If the department determines additional units can be approved for the fiscal year within any limitations set forth in the acts appropriating moneys for the funding of such units, the department shall approve additional units for the fiscal year on the basis of such average daily membership. For each unit so approved, the department shall pay an amount computed in the manner prescribed in section 3317.052 or 3317.19 and section 3317.053 of the Revised Code.

(3) If a student attending a community school under Chapter 3314. or a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code is not included in the formula ADM certified for the school district in which the student is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code, the department of education shall adjust the formula ADM of that school district to include the student in accordance with division (C)(2) of this section, and shall recalculate the school district's payments under this chapter and Chapter 3306. of the Revised Code for the entire fiscal year on the basis of that adjusted formula ADM. This requirement applies regardless of whether the student was enrolled, as defined in division (E) of this section, in the community school or the science, technology, engineering, and mathematics school during the week for which the formula

ADM is being certified.

(4) If a student awarded an educational choice scholarship is not included in the formula ADM of the school district from which the department deducts funds for the scholarship under section 3310.08 of the Revised Code, the department shall adjust the formula ADM of that school district to include the student to the extent necessary to account for the deduction, and shall recalculate the school district's payments under this chapter and Chapter 3306. of the Revised Code for the entire fiscal year on the basis of that adjusted formula ADM. This requirement applies regardless of whether the student was enrolled, as defined in division (E) of this section, in the chartered nonpublic school, the school district, or a community school during the week for which the formula ADM is being certified.

(G)(1)(a) The superintendent of an institution operating a special education program pursuant to section 3323.091 of the Revised Code shall, for the programs under such superintendent's supervision, certify to the state board of education, in the manner prescribed by the superintendent of public instruction, both of the following:

(i) The average daily membership of all children with disabilities other than preschool children with disabilities receiving services at the institution for each category of disability described in divisions ~~(A) to (F)~~ (D)(1) to (6) of section ~~3317.013~~ 3306.02 of the Revised Code;

(ii) The average daily membership of all preschool children with disabilities in classes or programs approved annually by the department of education for unit funding under section 3317.05 of the Revised Code.

(b) The superintendent of an institution with vocational education units approved under division (A) of section 3317.05 of the Revised Code shall, for the units under the superintendent's supervision, certify to the state board of education the average daily membership in those units, in the manner prescribed by the superintendent of public instruction.

(2) The superintendent of each county MR/DD board that maintains special education classes under section 3317.20 of the Revised Code or units approved pursuant to section 3317.05 of the Revised Code shall do both of the following:

(a) Certify to the state board, in the manner prescribed by the board, the average daily membership in classes under section 3317.20 of the Revised Code for each school district that has placed children in the classes;

(b) Certify to the state board, in the manner prescribed by the board, the number of all preschool children with disabilities enrolled as of the first day of December in classes eligible for approval under division (B) of section 3317.05 of the Revised Code, and the number of those classes.

(3)(a) If on the first school day of April the number of classes or units maintained for preschool children with disabilities by the county MR/DD board

that are eligible for approval under division (B) of section 3317.05 of the Revised Code is greater than the number of units approved for the year under that division, the superintendent shall make the certification required by this section for that day.

(b) If the department determines that additional classes or units can be approved for the fiscal year within any limitations set forth in the acts appropriating moneys for the funding of the classes and units described in division (G)(3)(a) of this section, the department shall approve and fund additional units for the fiscal year on the basis of such average daily membership. For each unit so approved, the department shall pay an amount computed in the manner prescribed in sections 3317.052 and 3317.053 of the Revised Code.

(H) Except as provided in division (I) of this section, when any city, local, or exempted village school district provides instruction for a nonresident pupil whose attendance is unauthorized attendance as defined in section 3327.06 of the Revised Code, that pupil's membership shall not be included in that district's membership figure used in the calculation of that district's formula ADM or included in the determination of any unit approved for the district under section 3317.05 of the Revised Code. The reporting official shall report separately the average daily membership of all pupils whose attendance in the district is unauthorized attendance, and the membership of each such pupil shall be credited to the school district in which the pupil is entitled to attend school under division (B) of section 3313.64 or section 3313.65 of the Revised Code as determined by the department of education.

(I)(1) A city, local, exempted village, or joint vocational school district admitting a scholarship student of a pilot project district pursuant to division (C) of section 3313.976 of the Revised Code may count such student in its average daily membership.

(2) In any year for which funds are appropriated for pilot project scholarship programs, a school district implementing a state-sponsored pilot project scholarship program that year pursuant to sections 3313.974 to 3313.979 of the Revised Code may count in average daily membership:

(a) All children residing in the district and utilizing a scholarship to attend kindergarten in any alternative school, as defined in section 3313.974 of the Revised Code;

(b) All children who were enrolled in the district in the preceding year who are utilizing a scholarship to attend any such alternative school.

(J) The superintendent of each cooperative education school district shall certify to the superintendent of public instruction, in a manner prescribed by the state board of education, the applicable average daily memberships for all students in the cooperative education district, also indicating the city, local, or exempted village district where each pupil is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code.

(K) If the superintendent of public instruction determines that a component of the ~~formula ADM~~ average daily membership certified or reported by a district superintendent, or other reporting entity, is not correct, the superintendent of public instruction may order that the formula ADM used for the purposes of payments under any section of Title XXXIII of the Revised Code be adjusted in the amount of the error.

Sec. 3317.031. A membership record shall be kept by grade level in each city, local, exempted village, joint vocational, and cooperative education school district and such a record shall be kept by grade level in each educational service center that provides academic instruction to pupils, classes for pupils with disabilities, or any other direct instructional services to pupils. Such membership record shall show the following information for each pupil enrolled: Name, date of birth, name of parent, date entered school, date withdrawn from school, days present, days absent, and the number of days school was open for instruction while the pupil was enrolled. At the end of the school year this membership record shall show the total days present, the total days absent, and the total days due for all pupils in each grade. Such membership record shall show the pupils that are transported to and from school and it shall also show the pupils that are transported living within one mile of the school attended. This membership record shall also show any other information prescribed by the state board of education.

This membership record shall be kept intact for at least five years and shall be made available to the state board of education or its representative in making an audit of the average daily membership or the transportation of the district or educational service center. The membership records of local school districts shall be filed at the close of each school year in the office of the educational service center superintendent.

The state board of education may withhold any money due any school district or educational service center under ~~sections 3317.022 to 3317.0211, 3317.11, 3317.16, 3317.17, or 3317.19~~ this chapter and Chapter 3306. of the Revised Code until it has satisfactory evidence that the board of education or educational service center governing board has fully complied with all of the provisions of this section.

Nothing in this section shall require any person to release, or to permit access to, public school records in violation of section 3319.321 of the Revised Code.

Sec. 3317.04. The amount paid to school districts in each fiscal year under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code shall not be less than the following:

(A) In the case of a district created under section 3311.26 or 3311.37 of the Revised Code, the amount paid shall not be less, in any of the three succeeding fiscal years following the creation, than the sum of the amounts allocated under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code to the

districts separately in the year of the creation.

(B) In the case of a school district which is transferred to another school district or districts, pursuant to section 3311.22, 3311.231, or 3311.38 of the Revised Code, the amount paid to the district accepting the transferred territory shall not be less, in any of the three succeeding fiscal years following the transfer, than the sum of the amounts allocated under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code to the districts separately in the year of the consummation of the transfer.

Notwithstanding sections 3311.22, 3311.231, 3311.26, 3311.37, and 3311.38 of the Revised Code, the minimum guarantees prescribed by divisions (A) and (B) of this section shall not affect the amount of aid received by a school district for more than three consecutive years.

Sec. 3317.061. The superintendent of each school district, including each cooperative education and joint vocational school district and the superintendent of each educational service center, shall, on forms prescribed and furnished by the state board of education, certify to the state board of education, on or before the fifteenth day of October of each year, the name of each licensed employee employed, on an annual salary, in each school under such superintendent's supervision during the first full school week of said month of October, the number of years of recognized college training such licensed employee has completed, the college degrees from a recognized college earned by such licensed employee, the type of teaching license held by such licensed employee, the number of months such licensed employee is employed in the school district, the annual salary of such licensed employee, and such other information as the state board of education may request. For the purposes of ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code, a licensed employee is any employee in a position that requires a license issued pursuant to sections 3319.22 to 3319.31 of the Revised Code.

Pursuant to standards adopted by the state board of education, experience of vocational teachers in trade and industry shall be recognized by such board for the purpose of complying with the requirements of recognized college training provided by ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code."

Between lines 41066 and 41067, insert:

"**Sec. 3317.081.** (A) Tuition shall be computed in accordance with this section if:

(1) The tuition is required by division (C)(3)(b) of section 3313.64 of the Revised Code; or

(2) Neither the child nor the child's parent resides in this state and tuition is required by section 3327.06 of the Revised Code.

(B) Tuition computed in accordance with this section shall equal the attendance district's tuition rate computed under section 3317.08 of the Revised Code plus the amount that district would have received for the child pursuant to

Chapter 3306. and sections ~~3317.022,~~ 3317.023 ~~,~~ and 3317.025 to 3317.0211 of the Revised Code during the school year had the attendance district been authorized to count the child in its formula ADM for that school year under section 3317.03 of the Revised Code.

Sec. 3317.082. As used in this section, "institution" means a residential facility that receives and cares for children maintained by the department of youth services and that operates a school chartered by the state board of education under section 3301.16 of the Revised Code.

(A) On or before the thirty-first day of each January and July, the superintendent of each institution that during the six-month period immediately preceding each January or July provided an elementary or secondary education for any child, other than a child receiving special education under section 3323.091 of the Revised Code, shall prepare and submit to the department of education, a statement for each such child indicating the child's name, any school district responsible to pay tuition for the child as determined by the superintendent in accordance with division (C)(2) or (3) of section 3313.64 of the Revised Code, and the period of time during that six-month period that the child received an elementary or secondary education. If any school district is responsible to pay tuition for any such child, the department of education, no later than the immediately succeeding last day of February or August, as applicable, shall calculate the amount of the tuition of the district under section 3317.08 of the Revised Code for the period of time indicated on the statement and do one of the following:

(1) If the tuition amount is equal to or less than the amount of state basic aid funds payable to the district under ~~sections 3317.022 and~~ Chapter 3306. and section 3317.023 of the Revised Code, pay to the institution submitting the statement an amount equal to the tuition amount, as provided under division (M) of section 3317.024 of the Revised Code, and deduct the tuition amount from the state basic aid funds payable to the district, as provided under division (F)(2) of section 3317.023 of the Revised Code;

(2) If the tuition amount is greater than the amount of state basic aid funds payable to the district under ~~sections 3317.022 and~~ Chapter 3306. and section 3317.023 of the Revised Code, require the district to pay to the institution submitting the statement an amount equal to the tuition amount.

(B) In the case of any disagreement about the school district responsible to pay tuition for a child pursuant to this section, the superintendent of public instruction shall make the determination in any such case in accordance with division (C)(2) or (3) of section 3313.64 of the Revised Code.

Sec. 3317.12. Any board of education participating in funds distributed under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code shall annually adopt a salary schedule for nonteaching school employees based upon training, experience, and qualifications with initial salaries no less than the salaries in effect on October 13, 1967. Each board of education shall prepare and may amend from time to time, specifications descriptive of duties, responsibilities,

requirements, and desirable qualifications of the classifications of employees required to perform the duties specified in the salary schedule. All nonteaching school employees are to be notified of the position classification to which they are assigned and the salary for the classification. The compensation of all employees working for a particular school board shall be uniform for like positions except as compensation would be affected by salary increments based upon length of service.

On the fifteenth day of October each year the salary schedule and the list of job classifications and salaries in effect on that date shall be filed by each board of education with the superintendent of public instruction. If such salary schedule and classification plan is not filed the superintendent of public instruction shall order the board to file such schedules forthwith. If this condition is not corrected within ten days after receipt of the order from the superintendent of public instruction, no money shall be distributed to the district under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code until the superintendent has satisfactory evidence of the board of education's full compliance with such order.

Sec. 3317.16. (A) As used in this section:

(1) ~~"State share percentage" means the percentage calculated for a joint vocational school district as follows:~~

~~(a) Calculate the state base cost funding amount for the district under division (B) of this section. If the district would not receive any base cost funding for that year under that division, the district's state share percentage is zero.~~

~~(b) If the district would receive base cost funding under that division, divide that base cost amount by an amount equal to the following:~~

~~the formula amount X~~
~~formula ADM~~

~~The resultant number is the district's state share percentage.~~

~~(2)~~ The "total special education weight" for a joint vocational school district shall be calculated in the same manner as prescribed in ~~division (B)(1) of~~ section 3317.022 of the Revised Code.

~~(3)~~ (2) The "total vocational education weight" for a joint vocational school district shall be calculated in the same manner as prescribed in ~~division (B)(4) of~~ section 3317.022 of the Revised Code.

~~(4)~~ (3) The "total recognized valuation" of a joint vocational school district shall be determined by adding the recognized valuations of all its constituent school districts that were subject to the joint vocational school district's tax levies for both the current and preceding tax years.

~~(5)~~ (4) "Resident district" means the city, local, or exempted village school district in which a student is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code.

~~(6)~~ (5) "Community school" means a community school established under Chapter 3314. of the Revised Code.

(B) The department of education shall compute and distribute state base cost funding to each joint vocational school district for the fiscal year in accordance with the following formula:

(formula amount X formula ADM) -
(.0005 X total recognized valuation)

If the difference obtained under this division is a negative number, the district's computation shall be zero.

(C)(1) The department shall compute and distribute state vocational education additional weighted costs funds to each joint vocational school district in accordance with the following formula:

state share percentage X formula amount X
total vocational education weight

In each fiscal year, a joint vocational school district receiving funds under division (C)(1) of this section shall spend those funds only for the purposes the department designates as approved for vocational education expenses. Vocational educational expenses approved by the department shall include only expenses connected to the delivery of career-technical programming to career-technical students. The department shall require the joint vocational school district to report data annually so that the department may monitor the district's compliance with the requirements regarding the manner in which funding received under division (C)(1) of this section may be spent.

(2) The department shall compute for each joint vocational school district state funds for vocational education associated services costs in accordance with the following formula:

state share percentage X .05 X
the formula amount X the sum of
categories one and two vocational
education ADM

In any fiscal year, a joint vocational school district receiving funds under division (C)(2) of this section, or through a transfer of funds pursuant to division (L) of section 3317.023 of the Revised Code, shall spend those funds only for the purposes that the department designates as approved for vocational education associated services expenses, which may include such purposes as apprenticeship coordinators, coordinators for other vocational education services, vocational evaluation, and other purposes designated by the department. The department may deny payment under division (C)(2) of this section to any district that the department determines is not operating those services or is using funds paid under division (C)(2) of this section, or through a transfer of funds pursuant to division (L) of section 3317.023 of the Revised Code, for other purposes.

(D)(1) The department shall compute and distribute state special

education and related services additional weighted costs funds to each joint vocational school district in accordance with the following formula:

state share percentage X formula amount X
total special education weight

(2)(a) As used in this division, the "personnel allowance" means thirty thousand dollars in fiscal years 2008 and 2009.

(b) For the provision of speech language pathology services to students, including students who do not have individualized education programs prepared for them under Chapter 3323. of the Revised Code, and for no other purpose, the department shall pay each joint vocational school district an amount calculated under the following formula:

(formula ADM divided by 2000) X the personnel
allowance X state share percentage

(3) In any fiscal year, a joint vocational school district shall spend for purposes that the department designates as approved for special education and related services expenses at least the amount calculated as follows:

(formula amount X
the sum of categories one through
six special education ADM) +
(total special education weight X
formula amount)

The purposes approved by the department for special education expenses shall include, but shall not be limited to, compliance with state rules governing the education of children with disabilities, providing services identified in a student's individualized education program as defined in section 3323.01 of the Revised Code, provision of speech language pathology services, and the portion of the district's overall administrative and overhead costs that are attributable to the district's special education student population.

The department shall require joint vocational school districts to report data annually to allow for monitoring compliance with division (D)(3) of this section. The department shall annually report to the governor and the general assembly the amount of money spent by each joint vocational school district for special education and related services.

(4) In any fiscal year, a joint vocational school district shall spend for the provision of speech language pathology services not less than the sum of the amount calculated under division (D)(1) of this section for the students in the district's category one special education ADM and the amount calculated under division (D)(2) of this section.

(E)(1) If a joint vocational school district's costs for a fiscal year for a student in its categories two through six special education ADM exceed the threshold catastrophic cost for serving the student, as specified in division (C)(3)(b) of section 3317.022 of the Revised Code, the district may submit to the superintendent of public instruction documentation, as prescribed by the

superintendent, of all of its costs for that student. Upon submission of documentation for a student of the type and in the manner prescribed, the department shall pay to the district an amount equal to the sum of the following:

(a) One-half of the district's costs for the student in excess of the threshold catastrophic cost;

(b) The product of one-half of the district's costs for the student in excess of the threshold catastrophic cost multiplied by the district's state share percentage.

(2) The district shall only report under division (E)(1) of this section, and the department shall only pay for, the costs of educational expenses and the related services provided to the student in accordance with the student's individualized education program. Any legal fees, court costs, or other costs associated with any cause of action relating to the student may not be included in the amount.

(F) Each fiscal year, the department shall pay each joint vocational school district an amount for adult technical and vocational education and specialized consultants.

(G)(1) A joint vocational school district's local share of special education and related services additional weighted costs equals:

(1 - state share percentage) X
Total special education weight X
the formula amount

(2) For each student with a disability receiving special education and related services under an individualized education program, as defined in section 3323.01 of the Revised Code, at a joint vocational district, the resident district or, if the student is enrolled in a community school, the community school shall be responsible for the amount of any costs of providing those special education and related services to that student that exceed the sum of the amount calculated for those services attributable to that student under divisions (B), (D), (E), and (G)(1) of this section.

Those excess costs shall be calculated by subtracting the sum of the following from the actual cost to provide special education and related services to the student:

(a) The formula amount;

(b) The product of the formula amount times the applicable multiple specified in section ~~3317.013~~ 3306.11 of the Revised Code;

(c) Any funds paid under division (E) of this section for the student;

(d) Any other funds received by the joint vocational school district under this chapter to provide special education and related services to the student, not including the amount calculated under division (G)(2) of this section.

(3) The board of education of the joint vocational school district may report the excess costs calculated under division (G)(2) of this section to the department of education.

(4) If the board of education of the joint vocational school district reports excess costs under division (G)(3) of this section, the department shall pay the amount of excess cost calculated under division (G)(2) of this section to the joint vocational school district and shall deduct that amount as provided in division (G)(4)(a) or (b) of this section, as applicable:

(a) If the student is not enrolled in a community school, the department shall deduct the amount from the account of the student's resident district pursuant to division (M) of section 3317.023 of the Revised Code.

(b) If the student is enrolled in a community school, the department shall deduct the amount from the account of the community school pursuant to section 3314.083 of the Revised Code.

Sec. 3317.18. (A) As used in this section, the terms "Chapter 133. securities," "credit enhancement facilities," "debt charges," "general obligation," "legislation," "public obligations," and "securities" have the same meanings as in section 133.01 of the Revised Code.

(B) The board of education of any school district authorizing the issuance of securities under section 133.10, 133.301, or 3313.372 of the Revised Code or general obligation Chapter 133. securities may adopt legislation requesting the state department of education to approve, and enter into an agreement with the school district and the primary paying agent or fiscal agent for such securities providing for, the withholding and deposit of funds, otherwise due the district under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code, for the payment of debt service charges on such securities.

The board of education shall deliver to the state department a copy of such resolution and any additional pertinent information the state department may require.

The department of education and the office of budget and management shall evaluate each request received from a school district under this section and the department, with the advice and consent of the director of budget and management, shall approve or deny each request based on all of the following:

(1) Whether approval of the request will enhance the marketability of the securities for which the request is made;

(2) Any other pertinent factors or limitations established in rules made under division (I) of this section, including:

(a) Current and projected obligations of funds due to the requesting school district under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code including obligations of those funds to public obligations or relevant credit enhancement facilities under this section, Chapter 133. and section 3313.483 of

the Revised Code, and under any other similar provisions of law;

(b) Whether the department of education or the office of budget and management has any reason to believe the requesting school district will be unable to pay when due the debt charges on the securities for which the request is made.

The department may require a school district to establish schedules for the payment of all debt charges that take into account the amount and timing of anticipated distributions of funds to the district under Chapter 3317. of the Revised Code.

(C) If the department approves the request of a school district to withhold and deposit funds pursuant to this section, the department shall enter into a written agreement with the district and the primary paying agent or fiscal agent for the securities which shall provide for the withholding of funds pursuant to this section for the payment of debt charges on those securities, and may include both of the following:

(1) Provisions for certification by the district to the department, at a time prior to any date for the payment of applicable debt charges, whether the district is able to pay those debt charges when due;

(2) Requirements that the district deposit amounts for the payment of debt charges on the securities with the primary paying agent or fiscal agent for the securities prior to the date on which those debt charge payments are due to the owners or holders of the securities.

(D) Whenever a district notifies the department of education that it will be unable to pay debt charges when they are due, subject to the withholding provisions of this section, or whenever the applicable paying agent or fiscal agent notifies the department that it has not timely received from a school district the full amount needed for the payment when due of those debt charges to the holders or owners of such securities, the department shall immediately contact the school district and the paying agent or fiscal agent to confirm or determine whether the district is unable to make the required payment by the date on which it is due.

Upon demand of the treasurer of state while holding a school district obligation purchased under division (G)(1) of section 135.143 of the Revised Code, the state department of education, without a request of the school district, shall withhold and deposit funds pursuant to this section for payment of debt service charges on that obligation.

If the department confirms or determines that the district will be unable to make such payment and payment will not be made pursuant to a credit enhancement facility, the department shall promptly pay to the applicable primary paying agent or fiscal agent the lesser of the amount due for debt charges or the amount due the district for the remainder of the fiscal year under Chapter 3317. of the Revised Code. If this amount is insufficient to pay the total amount then due the agent for the payment of debt charges, the department shall

pay to the agent each fiscal year thereafter, and until the full amount due the agent for unpaid debt charges is paid in full, the lesser of the remaining amount due the agent for debt charges or the amount due the district for the fiscal year under Chapter 3317. of the Revised Code.

(E) The state department may make any payments under this division by direct deposit of funds by electronic transfer.

Any amount received by a paying agent or fiscal agent under this section shall be applied only to the payment of debt charges on the securities of the school district subject to this section or to the reimbursement to the provider of a credit enhancement facility that has paid such debt charges.

(F) To the extent a school district whose securities are subject to this section is unable to pay applicable debt charges because of the failure to collect property taxes levied for the payment of those debt charges, the district may transfer to or deposit into any fund that would have received payments under ~~Chapter~~ 3306. or 3317. of the Revised Code that were withheld under this section any such delinquent property taxes when later collected, provided that transfer or deposit shall be limited to the amounts withheld from that fund under this section.

(G) The department may make payments under this section to paying agents or fiscal agents only from and to the extent that money is appropriated by the general assembly for Chapter 3317. of the Revised Code or for the purposes of this section. No securities of a school district to which this section is made applicable constitute an obligation or a debt or a pledge of the faith, credit, or taxing power of the state, and the holders or owners of such securities have no right to have taxes levied or appropriations made by the general assembly for the payment of debt charges on those securities, and those securities, if the department requires, shall contain a statement to that effect. The agreement for or the actual withholding and payment of moneys under this section does not constitute the assumption by the state of any debt of a school district.

(H) In the case of securities subject to the withholding provisions of this section, the issuing board of education shall appoint a paying agent or fiscal agent who is not an officer or employee of the school district.

(I) The department of education, with the advice of the office of budget and management, may adopt reasonable rules not inconsistent with this section for the implementation of this section and division (B) of section 133.25 of the Revised Code as it relates to the withholding and depositing of payments under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code to secure payment of debt charges on school district securities. Those rules shall include criteria for the evaluation and approval or denial of school district requests for withholding under this section and limits on the obligation for the purpose of paying debt charges or reimbursing credit enhancement facilities of funds otherwise to be paid to school districts under Chapter 3317. of the Revised Code.

(J) The authority granted by this section is in addition to and not a

limitation on any other authorizations granted by or pursuant to law for the same or similar purposes.

Sec. 3317.20. This section does not apply to preschool children with disabilities.

(A) As used in this section:

(1) "Applicable weight" means the multiple specified in section ~~3317.013~~ 3306.11 of the Revised Code for a disability described in that section.

(2) "Child's school district" means the school district in which a child is entitled to attend school pursuant to section 3313.64 or 3313.65 of the Revised Code.

~~(3) "State share percentage" means the state share percentage of the child's school district as defined in section 3317.022 of the Revised Code.~~

(B) Except as provided in division (C) of this section, the department shall annually pay each county MR/DD board for each child with a disability, other than a preschool child with a disability, for whom the county MR/DD board provides special education and related services an amount equal to the formula amount + (state share percentage X formula amount X the applicable weight).

(C) If any school district places with a county MR/DD board more children with disabilities than it had placed with a county MR/DD board in fiscal year 1998, the department shall not make a payment under division (B) of this section for the number of children exceeding the number placed in fiscal year 1998. The department instead shall deduct from the district's payments under this chapter and Chapter 3306. of the Revised Code, and pay to the county MR/DD board, an amount calculated in accordance with the formula prescribed in division (B) of this section for each child over the number of children placed in fiscal year 1998.

(D) The department shall calculate for each county MR/DD board receiving payments under divisions (B) and (C) of this section the following amounts:

(1) The amount received by the county MR/DD board for approved special education and related services units, other than units for preschool children with disabilities, in fiscal year 1998, divided by the total number of children served in the units that year;

(2) The product of the quotient calculated under division (D)(1) of this section times the number of children for whom payments are made under divisions (B) and (C) of this section.

If the amount calculated under division (D)(2) of this section is greater than the total amount calculated under divisions (B) and (C) of this section, the department shall pay the county MR/DD board one hundred per cent of the difference in addition to the payments under divisions (B) and (C) of this

section.

(E) Each county MR/DD board shall report to the department, in the manner specified by the department, the name of each child for whom the county MR/DD board provides special education and related services and the child's school district.

(F)(1) For the purpose of verifying the accuracy of the payments under this section, the department may request from either of the following entities the data verification code assigned under division (D)(2) of section 3301.0714 of the Revised Code to any child who is placed with a county MR/DD board:

(a) The child's school district;

(b) The independent contractor engaged to create and maintain data verification codes.

(2) Upon a request by the department under division (F)(1) of this section for the data verification code of a child, the child's school district shall submit that code to the department in the manner specified by the department. If the child has not been assigned a code, the district shall assign a code to that child and submit the code to the department by a date specified by the department. If the district does not assign a code to the child by the specified date, the department shall assign a code to the child.

The department annually shall submit to each school district the name and data verification code of each child residing in the district for whom the department has assigned a code under this division.

(3) The department shall not release any data verification code that it receives under division (F) of this section to any person except as provided by law.

(G) Any document relative to special education and related services provided by a county MR/DD board that the department holds in its files that contains both a student's name or other personally identifiable information and the student's data verification code shall not be a public record under section 149.43 of the Revised Code.

Sec. 3317.201. This section does not apply to preschool children with disabilities.

(A) As used in this section, the "total special education weight" for an institution means the sum of the following amounts:

(1) The number of children reported by the institution under division (G)(1)(a)(i) of section 3317.03 of the Revised Code as receiving services for a disability described in division ~~(A)~~ (D)(1) of section ~~3317.013~~ 3306.02 of the Revised Code multiplied by the multiple specified in that division;

(2) The number of children reported by the institution under division (G)(1)(a)(i) of section 3317.03 of the Revised Code as receiving services for a

disability described in division ~~(B)~~ (D)(2) of section ~~3317.013~~ 3306.02 of the Revised Code multiplied by the multiple specified in that division;

(3) The number of children reported by the institution under division (G)(1)(a)(i) of section 3317.03 of the Revised Code as receiving services for a disability described in division ~~(C)~~ (D)(3) of section ~~3317.013~~ 3306.02 of the Revised Code multiplied by the multiple specified in that division;

(4) The number of children reported by the institution under division (G)(1)(a)(i) of section 3317.03 of the Revised Code as receiving services for a disability described in division (D) (4) of section ~~3317.013~~ 3306.02 of the Revised Code multiplied by the multiple specified in that division;

(5) The number of children reported by the institution under division (G)(1)(a)(i) of section 3317.03 of the Revised Code as receiving services for a disability described in division ~~(E)~~ (D)(5) of section ~~3317.013~~ 3306.02 of the Revised Code multiplied by the multiple specified in that division;

(6) The number of children reported by the institution under division (G)(1)(a)(i) of section 3317.03 of the Revised Code as receiving services for a disability described in division ~~(F)~~ (D)(6) of section ~~3317.013~~ 3306.02 of the Revised Code multiplied by the multiple specified in that division.

(B) For each fiscal year, the department of education shall pay each state institution required to provide special education services under division (A) of section 3323.091 of the Revised Code an amount equal to the greater of:

(1) The formula amount times the institution's total special education weight;

(2) The aggregate amount of special education and related services unit funding the institution received for all children with disabilities other than preschool children with disabilities in fiscal year 2005 under sections 3317.052 and 3317.053 of the Revised Code, as those sections existed prior to June 30, 2005."

Between lines 41138 and 41139, insert:

"**Sec. 3318.051.** (A) Any city, exempted village, or local school district that commences a project under sections 3318.01 to 3318.20, 3318.36, 3318.37, or 3318.38 of the Revised Code on or after ~~the effective date of this section~~ September 5, 2006, need not levy the tax otherwise required under division (B) of section 3318.05 of the Revised Code, if the district board of education adopts a resolution petitioning the Ohio school facilities commission to approve the transfer of money in accordance with this section and the commission approves that transfer. If so approved, the commission and the district board shall enter into an agreement under which the board, in each of twenty-three consecutive years beginning in the year in which the board and the commission enter into the project agreement under section 3318.08 of the Revised Code, shall transfer into the maintenance fund required by division (D) of section 3318.05 of the Revised Code not less than an amount equal to one-half mill for each dollar of the

district's valuation unless and until the agreement to make those transfers is rescinded by the district board pursuant to division (F) of this section.

(B) On the first day of July each year, or on an alternative date prescribed by the commission, the district treasurer shall certify to the commission and the auditor of state that the amount required for the year has been transferred. The auditor of state shall include verification of the transfer as part of any audit of the district under section 117.11 of the Revised Code. If the auditor of state finds that less than the required amount has been deposited into a district's maintenance fund, the auditor of state shall notify the district board of education in writing of that fact and require the board to deposit into the fund, within ninety days after the date of the notice, the amount by which the fund is deficient for the year. If the district board fails to demonstrate to the auditor of state's satisfaction that the board has made the deposit required in the notice, the auditor of state shall notify the department of education. At that time, the department shall withhold an amount equal to ten per cent of the district's funds calculated for the current fiscal year under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code until the auditor of state notifies the department that the auditor of state is satisfied that the board has made the required transfer.

(C) Money transferred to the maintenance fund shall be used for the maintenance of the facilities acquired under the district's project.

(D) The transfers to the maintenance fund under this section does not affect a district's obligation to establish and maintain a capital and maintenance fund under section 3315.18 of the Revised Code.

(E) Any decision by the commission to approve or not approve the transfer of money under this section is final and not subject to appeal. The commission shall not be responsible for errors or miscalculations made in deciding whether to approve a petition to make transfers under this section.

(F) If the district board determines that it no longer can continue making the transfers agreed to under this section, the board may rescind the agreement only so long as the electors of the district have approved, in accordance with section 3318.063 of the Revised Code, the levy of a tax for the maintenance of the classroom facilities acquired under the district's project and that levy continues to be collected as approved by the electors. That levy shall be for a number of years that is equal to the difference between twenty-three years and the number of years that the district made transfers under this section and shall be at the rate of not less than one-half mill for each dollar of the district's valuation. The district board shall continue to make the transfers agreed to under this section until that levy has been approved by the electors."

Between lines 41446 and 41447, insert:

"**Sec. 3319.088.** As used in this section, "educational assistant" means any nonteaching employee in a school district who directly assists a teacher as defined in section 3319.09 of the Revised Code, by performing duties for which a license issued pursuant to sections 3319.22 to 3319.30 of the Revised Code is

not required.

(A) The state board of education shall issue educational aide permits and educational paraprofessional licenses for educational assistants and shall adopt rules for the issuance and renewal of such permits and licenses which shall be consistent with the provisions of this section. Educational aide permits and educational paraprofessional licenses may be of several types and the rules shall prescribe the minimum qualifications of education, health, and character for the service to be authorized under each type. The prescribed minimum qualifications may require special training or educational courses designed to qualify a person to perform effectively the duties authorized under an educational aide permit or educational paraprofessional license.

(B)(1) Any application for a permit or license, or a renewal or duplicate of a permit or license, under this section shall be accompanied by the payment of a fee in the amount established under division (A) of section 3319.51 of the Revised Code. Any fees received under this division shall be paid into the state treasury to the credit of the state board of education licensure fund established under division (B) of section 3319.51 of the Revised Code.

(2) Any person applying for or holding a permit or license pursuant to this section is subject to sections 3123.41 to 3123.50 of the Revised Code and any applicable rules adopted under section 3123.63 of the Revised Code and sections 3319.31 and 3319.311 of the Revised Code.

(C) Educational assistants shall at all times while in the performance of their duties be under the supervision and direction of a teacher as defined in section 3319.09 of the Revised Code. Educational assistants may assist a teacher to whom assigned in the supervision of pupils, in assisting with instructional tasks, and in the performance of duties which, in the judgment of the teacher to whom the assistant is assigned, may be performed by a person not licensed pursuant to sections 3319.22 to 3319.30 of the Revised Code and for which a teaching license, issued pursuant to sections 3319.22 to 3319.30 of the Revised Code is not required. The duties of an educational assistant shall not include the assignment of grades to pupils. The duties of an educational ~~assistants~~ assistant need not be performed in the physical presence of the teacher to whom assigned, but the activity of an educational assistant shall at all times be under the direction of the teacher to whom assigned. The assignment of an educational assistant need not be limited to assisting a single teacher. In the event an educational assistant is assigned to assist more than one teacher the assignments shall be clearly delineated and so arranged that the educational assistant shall never be subject to simultaneous supervision or direction by more than one teacher.

Educational assistants assigned to supervise children shall, when the teacher to whom assigned is not physically present, maintain the degree of control and discipline which would be maintained by the teacher, but an educational assistant may not render corporal punishment.

~~Except when expressly permitted solely for the purposes of section~~

~~3317.029 of the Revised Code, educational~~ Educational assistants may not be used in place of classroom teachers or other employees and any payment of compensation by boards of education to educational assistants for such services is prohibited. The ratio between the number of licensed teachers and the pupils in a school district may not be decreased by utilization of educational assistants and no grouping, or other organization of pupils, for utilization of educational assistants shall be established which is inconsistent with sound educational practices and procedures. A school district may employ up to one full time equivalent educational assistant for each six full time equivalent licensed employees of the district. Educational assistants shall not be counted as licensed employees for purposes of state support in the school foundation program and no grouping or regrouping of pupils with educational assistants may be counted as a class or unit for school foundation program purposes. Neither special courses required by the regulations of the state board of education, prescribing minimum qualifications of education for an educational assistant, nor years of service as an educational assistant shall be counted in any way toward qualifying for a teacher license, for a teacher contract of any type, or for determining placement on a salary schedule in a school district as a teacher.

(D) Educational assistants employed by a board of education shall have all rights, benefits, and legal protection available to other nonteaching employees in the school district, except that provisions of Chapter 124. of the Revised Code shall not apply to any person employed as an educational assistant, and shall be members of the school employees retirement system. Educational assistants shall be compensated according to a salary plan adopted annually by the board.

Except as provided in this section nonteaching employees shall not serve as educational assistants without first obtaining an appropriate educational aide permit or educational paraprofessional license from the state board of education. A nonteaching employee who is the holder of a valid educational aide permit or educational paraprofessional license shall neither render nor be required to render services inconsistent with the type of services authorized by the permit or license held. No person shall receive compensation from a board of education for services rendered as an educational assistant in violation of this provision.

Nonteaching employees whose functions are solely secretarial-clerical and who do not perform any other duties as educational assistants, even though they assist a teacher and work under the direction of a teacher shall not be required to hold a permit or license issued pursuant to this section. Students preparing to become licensed teachers or educational assistants shall not be required to hold an educational aide permit or paraprofessional license for such periods of time as such students are assigned, as part of their training program, to work with a teacher in a school district. Such students shall not be compensated for such services.

Following the determination of the assignment and general job description of an educational assistant and subject to supervision by the teacher's immediate administrative officer, a teacher to whom an educational assistant is

assigned shall make all final determinations of the duties to be assigned to such assistant. Teachers shall not be required to hold a license designated for being a supervisor or administrator in order to perform the necessary supervision of educational assistants.

(E) No person who is, or who has been employed as an educational assistant shall divulge, except to the teacher to whom assigned, or the administrator of the school in the absence of the teacher to whom assigned, or when required to testify in a court or proceedings, any personal information concerning any pupil in the school district which was obtained or obtainable by the educational assistant while so employed. Violation of this provision is grounds for disciplinary action or dismissal, or both."

Between lines 42801 and 42802, insert:

"**Sec. 3319.57.** (A) A grant program is hereby established under which the department of education shall award grants to assist certain schools in a city, exempted village, local, or joint vocational school district in implementing one of the following innovations:

(1) The use of instructional specialists to mentor and support classroom teachers;

(2) The use of building managers to supervise the administrative functions of school operation so that a school principal can focus on supporting instruction, providing instructional leadership, and engaging teachers as part of the instructional leadership team;

(3) The reconfiguration of school leadership structure in a manner that allows teachers to serve in leadership roles so that teachers may share the responsibility for making and implementing school decisions;

(4) The adoption of new models for restructuring the school day or school year, such as including teacher planning and collaboration time as part of the school day;

(5) The creation of smaller schools or smaller units within larger schools for the purpose of facilitating teacher collaboration to improve and advance the professional practice of teaching;

(6) The implementation of "grow your own" recruitment strategies that are designed to assist individuals who show a commitment to education become licensed teachers, to assist experienced teachers obtain licensure in subject areas for which there is need, and to assist teachers in becoming principals;

(7) The provision of better conditions for new teachers, such as reduced teaching load and reduced class size;

(8) The provision of incentives to attract qualified mathematics, science, or special education teachers;

(9) The development and implementation of a partnership with teacher

preparation programs at colleges and universities to help attract teachers qualified to teach in shortage areas;

(10) The implementation of a program to increase the cultural competency of both new and veteran teachers;

(11) The implementation of a program to increase the subject matter competency of veteran teachers.

(B) To qualify for a grant to implement one of the innovations described in division (A) of this section, a school must meet both of the following criteria:

(1) Be hard to staff, as defined by the department.

(2) Use existing school district funds for the implementation of the innovation in an amount equal to the grant amount multiplied by (1 - the district's state share percentage for the fiscal year in which the grant is awarded).

For purposes of division (B)(2) of this section, "state share percentage" ~~shall be as calculated under section 3317.022 of the Revised Code, in the case of a city, local, or exempted village school district, or as calculated under section 3317.16~~ has the same meaning as in section 3306.02 of the Revised Code ~~, in the case of a joint vocational school district~~.

(C) The amount and number of grants awarded under this section shall be determined by the department based on any appropriations made by the general assembly for grants under this section.

(D) The state board of education shall adopt rules for the administration of this grant program."

Between lines 43394 and 43395, insert:

"**Sec. 3323.091.** (A) The department of mental health, the department of mental retardation and developmental disabilities, the department of youth services, and the department of rehabilitation and correction shall establish and maintain special education programs for children with disabilities in institutions under their jurisdiction according to standards adopted by the state board of education.

(B) The superintendent of each state institution required to provide services under division (A) of this section, and each county MR/DD board, providing special education for preschool children with disabilities under this chapter may apply to the state department of education for unit funding, which shall be paid in accordance with sections 3317.052 and 3317.053 of the Revised Code.

The superintendent of each state institution required to provide services under division (A) of this section may apply to the department of education for special education and related services weighted funding for children with disabilities other than preschool children with disabilities, calculated in accordance with section 3317.201 of the Revised Code.

Each county MR/DD board providing special education for children with disabilities other than preschool children with disabilities may apply to the department of education for base cost and special education and related services weighted funding calculated in accordance with section 3317.20 of the Revised Code.

(C) In addition to the authorization to apply for state funding described in division (B) of this section, each state institution required to provide services under division (A) of this section is entitled to tuition payments calculated in the manner described in division (C) of this section.

On or before the thirtieth day of June of each year, the superintendent of each institution that during the school year provided special education pursuant to this section shall prepare a statement for each child with a disability under twenty-two years of age who has received special education. The statement shall contain the child's data verification code assigned pursuant to division (D)(2) of section 3301.0714 of the Revised Code and the name of the child's school district of residence. Within sixty days after receipt of such statement, the department of education shall perform one of the following:

(1) For any child except a preschool child with a disability described in division (C)(2) of this section, pay to the institution submitting the statement an amount equal to the tuition calculated under division (A) of section 3317.08 of the Revised Code for the period covered by the statement, and deduct the same from the amount of state funds, if any, payable under sections ~~3317.022~~ 3306.13 and 3317.023 of the Revised Code, to the child's school district of residence or, if the amount of such state funds is insufficient, require the child's school district of residence to pay the institution submitting the statement an amount equal to the amount determined under this division.

(2) For any preschool child with a disability not included in a unit approved under division (B) of section 3317.05 of the Revised Code, perform the following:

(a) Pay to the institution submitting the statement an amount equal to the tuition calculated under division (B) of section 3317.08 of the Revised Code for the period covered by the statement, except that in calculating the tuition under that section the operating expenses of the institution submitting the statement under this section shall be used instead of the operating expenses of the school district of residence;

(b) Deduct from the amount of state funds, if any, payable under sections 3317.022 or 3306.13 and 3317.023 of the Revised Code to the child's school district of residence an amount equal to the amount paid under division (C)(2)(a) of this section.

Sec. 3323.14. This section does not apply to any preschool child with a disability except if included in a unit approved under division (B) of section 3317.05 of the Revised Code.

(A) Where a child who is a school resident of one school district receives special education from another district and the per capita cost to the educating district for that child exceeds the sum of the amount received by the educating district for that child under division (A) of section 3317.08 of the Revised Code and the amount received by the district from the state board of education for that child, then the board of education of the district of residence shall pay to the board of the school district that is providing the special education such excess cost as is determined by using a formula approved by the department of education and agreed upon in contracts entered into by the boards of the districts concerned at the time the district providing such special education accepts the child for enrollment. The department shall certify the amount of the payments under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code for such pupils with disabilities for each school year ending on the thirtieth day of July.

(B) In the case of a child described in division (A) of this section who has been placed in a home, as defined in section 3313.64 of the Revised Code, pursuant to the order of a court and who is not subject to section 3323.141 of the Revised Code, the district providing the child with special education and related services may charge to the child's district of residence the excess cost determined by formula approved by the department, regardless of whether the district of residence has entered into a contract with the district providing the services. If the district providing the services chooses to charge excess costs, the district may report the amount calculated under this division to the department.

(C) If a district providing special education for a child reports an amount for the excess cost of those services, as authorized and calculated under division (A) or (B) of this section, the department shall pay that amount of excess cost to the district providing the services and shall deduct that amount from the child's district of residence in accordance with division (N) of section 3317.023 of the Revised Code.

Sec. 3323.142. This section does not apply to any preschool child with a disability except if included in a unit approved under division (B) of section 3317.05 of the Revised Code.

As used in this section, "per pupil amount" for a preschool child with a disability included in such an approved unit means the amount determined by dividing the amount received for the classroom unit in which the child has been placed by the number of children in the unit. For any other child, "per pupil amount" means the amount paid for the child under section 3317.20 of the Revised Code.

When a school district places or has placed a child with a county MR/DD board for special education, but another district is responsible for tuition under section 3313.64 or 3313.65 of the Revised Code and the child is not a resident of the territory served by the county MR/DD board, the board may charge the district responsible for tuition with the educational costs in excess of the per pupil amount received by the board under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code. The amount of the excess cost shall be determined by the

formula established by rule of the department of education under section 3323.14 of the Revised Code, and the payment for such excess cost shall be made by the school district directly to the county MR/DD board.

A school district board of education and the county MR/DD board that serves the school district may negotiate and contract, at or after the time of placement, for payments by the board of education to the county MR/DD board for additional services provided to a child placed with the county MR/DD board and whose individualized education program established pursuant to section 3323.08 of the Revised Code requires additional services that are not routinely provided children in the county MR/DD board's program but are necessary to maintain the child's enrollment and participation in the program. Additional services may include, but are not limited to, specialized supplies and equipment for the benefit of the child and instruction, training, or assistance provided by staff members other than staff members for which funding is received under Chapter 3306. or 3317. of the Revised Code.

Sec. 3324.05. (A) Each school district shall submit an annual report to the department of education specifying the number of students in each of grades kindergarten through twelfth screened, the number assessed, and the number identified as gifted in each category specified in section 3324.03 of the Revised Code.

(B) The department of education shall audit each school district's identification numbers at least once every three years and may select any district at random or upon complaint or suspicion of noncompliance for a further audit to determine compliance with sections 3324.03 to 3324.06 of the Revised Code.

(C) The department shall provide technical assistance to any district found in noncompliance under division (B) of this section. The department may reduce funds received by the district under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code by any amount if the district continues to be noncompliant."

Between lines 43411 and 43412, insert:

"**Sec. 3326.33.** ~~For~~ Payments and deductions under this section for fiscal years 2010 and 2011 shall be made in accordance with section 3326.39 of the Revised Code.

For each student enrolled in a science, technology, engineering, and mathematics school established under this chapter, the department of education annually shall deduct from the state education aid of a student's resident school district and, if necessary, from the payment made to the district under sections 321.24 and 323.156 of the Revised Code and pay to the school the sum of the following:

(A) The sum of the formula amount plus the per pupil amount of the base funding supplements specified in divisions (C)(1) to (4) of section 3317.012 of the Revised Code.

(B) If the student is receiving special education and related services

pursuant to an IEP, the product of the applicable special education weight times the formula amount;

(C) If the student is enrolled in vocational education programs or classes that are described in section 3317.014 of the Revised Code, are provided by the school, and are comparable as determined by the superintendent of public instruction to school district vocational education programs and classes eligible for state weighted funding under section 3317.014 of the Revised Code, the product of the applicable vocational education weight times the formula amount times the percentage of time the student spends in the vocational education programs or classes;

(D) If the student is included in the poverty student count of the student's resident district, the per pupil amount of the district's payment under division (C) of section 3317.029 of the Revised Code;

(E) If the student is identified as limited English proficient and the student's resident district receives a payment for services to limited English proficient students under division (F) of section 3317.029 of the Revised Code, the per pupil amount of the district's payment under that division, calculated in the same manner as per pupil payments are calculated under division (C)(6) of section 3314.08 of the Revised Code;

(F) If the student's resident district receives a payment under division (G), (H), or (I) of section 3317.029 of the Revised Code, the per pupil amount of the district's payments under each division, calculated in the same manner as per pupil payments are calculated under divisions (C)(7) and (8) of section 3314.08 of the Revised Code;

(G) If the student's resident district receives a parity aid payment under section 3317.0217 of the Revised Code, the per pupil amount calculated for the district under division (C) or (D) of that section."

Between lines 43420 and 43421, insert:

" **Sec. 3326.39.** For purposes of applying sections 3326.31 to 3326.37 of the Revised Code to fiscal years 2010 and 2011:

(A) The formula amount for STEM schools for fiscal year 2010 is $5,718, and for fiscal year 2011 is $5,703. These respective amounts shall be applied wherein sections 3326.31 to 3326.37 of the Revised Code the formula amount is specified, except for deducting and paying amounts for special education weighted funding and vocational education weighted funding.

(B) The base funding supplements under section 3317.012 of the Revised Code shall be deemed in each year to be the amounts specified in that section for fiscal year 2009.

(C) Special education additional weighted funding shall be calculated by multiplying the applicable weight specified in section 3317.013 of the Revised Code for fiscal year 2009 times $5,732.

(D) Vocational education additional weighted funding shall be calculated by multiplying the applicable weight specified in section 3317.014 of the Revised Code for fiscal year 2009 times $5,732.

(E) The per pupil amounts paid to a school district under sections 3317.029 and 3317.0217 of the Revised Code shall be deemed to be the respective per pupil amounts paid under those sections to that district for fiscal year 2009.

Sec. 3327.02. (A) After considering each of the following factors, the board of education of a city, exempted village, or local school district may determine that it is impractical to transport a pupil who is eligible for transportation to and from a school under section 3327.01 of the Revised Code:

(1) The time and distance required to provide the transportation;

(2) The number of pupils to be transported;

(3) The cost of providing transportation in terms of equipment, maintenance, personnel, and administration;

(4) Whether similar or equivalent service is provided to other pupils eligible for transportation;

(5) Whether and to what extent the additional service unavoidably disrupts current transportation schedules;

(6) Whether other reimbursable types of transportation are available.

(B)(1) Based on its consideration of the factors established in division (A) of this section, the board may pass a resolution declaring the impracticality of transportation. The resolution shall include each pupil's name and the reason for impracticality.

(2) The board shall report its determination to the state board of education in a manner determined by the state board.

(3) The board of education of a local school district additionally shall submit the resolution for concurrence to the educational service center that contains the local district's territory. If the educational service center governing board considers transportation by school conveyance practicable, it shall so inform the local board and transportation shall be provided by such local board. If the educational service center board agrees with the view of the local board, the local board may offer payment in lieu of transportation as provided in this section.

(C) After passing the resolution declaring the impracticality of transportation, the district board shall offer to provide payment in lieu of transportation by doing the following:

(1) In accordance with guidelines established by the department of education, informing the pupil's parent, guardian, or other person in charge of the pupil of both of the following:

(a) The board's resolution;

(b) The right of the pupil's parent, guardian, or other person in charge of the pupil to accept the offer of payment in lieu of transportation or to reject the offer and instead request the department to initiate mediation procedures.

(2) Issuing the pupil's parent, guardian, or other person in charge of the pupil a contract or other form on which the parent, guardian, or other person in charge of the pupil is given the option to accept or reject the board's offer of payment in lieu of transportation.

(D) If the parent, guardian, or other person in charge of the pupil accepts the offer of payment in lieu of providing transportation, the board shall pay the parent, guardian, or other person in charge of the child an amount that shall be not less than the amount determined by the department of education as the minimum for payment in lieu of transportation, and not more than the amount determined by the department as the average cost of pupil transportation for the previous school year. Payment may be prorated if the time period involved is only a part of the school year.

(E)(1)(a) Upon the request of a parent, guardian, or other person in charge of the pupil who rejected the payment in lieu of transportation, the department shall conduct mediation procedures.

(b) If the mediation does not resolve the dispute, the state board of education shall conduct a hearing in accordance with Chapter 119. of the Revised Code. The state board may approve the payment in lieu of transportation or may order the board of education to provide transportation. The decision of the state board is binding in subsequent years and on future parties in interest provided the facts of the determination remain comparable.

(2) The school district shall provide transportation for the pupil from the time the parent, guardian, or other person in charge of the pupil requests mediation until the matter is resolved under division (E)(1)(a) or (b) of this section.

(F)(1) If the department determines that a school district board has failed or is failing to provide transportation as required by division (E)(2) of this section or as ordered by the state board under division (E)(1)(b) of this section, the department shall order the school district board to pay to the pupil's parent, guardian, or other person in charge of the pupil, an amount equal to the state average daily cost of transportation as determined by the state board of education for the previous year. The school district board shall make payments on a schedule ordered by the department.

(2) If the department subsequently finds that a school district board is not in compliance with an order issued under division (F)(1) of this section and the affected pupils are enrolled in a nonpublic or community school, the department shall deduct the amount that the board is required to pay under that order from any payments the department makes to the school district board under ~~division~~

~~(D) of~~ section ~~3317.022~~ 3306.12 of the Revised Code. The department shall use the moneys so deducted to make payments to the nonpublic or community school attended by the pupil. The department shall continue to make the deductions and payments required under this division until the school district board either complies with the department's order issued under division (F)(1) of this section or begins providing transportation.

(G) A nonpublic or community school that receives payments from the department under division (F)(2) of this section shall do either of the following:

(1) Disburse the entire amount of the payments to the parent, guardian, or other person in control of the pupil affected by the failure of the school district of residence to provide transportation;

(2) Use the entire amount of the payments to provide acceptable transportation for the affected pupil.

Sec. 3327.04. (A) The board of education of any city, exempted village, or local school district may contract with the board of another district for the admission or transportation, or both, of pupils into any school in such other district, on terms agreed upon by such boards.

(B) The boards of two school districts may enter into a contract under this section to share the provision of transportation to a child who resides in one school district and attends school in the other district. Under such an agreement, one district may claim the total transportation subsidy available for such child under ~~division (D) of~~ section ~~3317.022~~ 3306.12 of the Revised Code and may agree to pay any portion of such subsidy to the other district sharing the provision of transportation to that child. The contract shall delineate the transportation responsibilities of each district.

A school district that enters into a contract under this section is not liable for any injury, death, or loss to the person or property of a student that may occur while the student is being furnished transportation by the other school district that is a party to the contract.

(C) Whenever a board not maintaining a high school enters into an agreement with one or more boards maintaining such school for the schooling of all its high school pupils, the board making such agreement is exempt from the payment of tuition at other high schools of pupils living within three miles of the school designated in the agreement. In case no such agreement is entered into, the high school to be attended can be selected by the pupil holding an eighth grade diploma, and the tuition shall be paid by the board of the district of school residence.

Sec. 3327.05. (A) Except as provided in division (B) of this section, no board of education of any school district shall provide transportation for any pupil who is a school resident of another school district unless the pupil is enrolled pursuant to section 3313.98 of the Revised Code or the board of the other district has given its written consent thereto. If the board of any school district files with the state board of education a written complaint that

transportation for resident pupils is being provided by the board of another school district contrary to this division, the state board of education shall make an investigation of such complaint. If the state board of education finds that transportation is being provided contrary to this section, it may withdraw from state funds due the offending district any part of the amount that has been approved for transportation pursuant to ~~division (D) of~~ section ~~3317.022~~ 3306.12 of the Revised Code.

(B) Notwithstanding division (D) of section 3311.19 and division (D) of section 3311.52 of the Revised Code, this division does not apply to any joint vocational or cooperative education school district.

A board of education may provide transportation to and from the nonpublic school of attendance if both of the following apply:

(1) The parent, guardian, or other person in charge of the pupil agrees to pay the board for all costs incurred in providing the transportation that are not reimbursed pursuant to Chapter 3306. or 3317. of the Revised Code;

(2) The pupil's school district of residence does not provide transportation for public school pupils of the same grade as the pupil being transported under this division, or that district is not required under section 3327.01 of the Revised Code to transport the pupil to and from the nonpublic school because the direct travel time to the nonpublic school is more than thirty minutes.

Upon receipt of the request to provide transportation, the board shall review the request and determine whether the board will accommodate the request. If the board agrees to transport the pupil, the board may transport the pupil to and from the nonpublic school and a collection point in the district, as determined by the board. If the board transports the pupil, the board may include the pupil in the district's transportation ADM reported to the department of education under section 3317.03 of the Revised Code and, accordingly, may receive a state payment under ~~division (D) of~~ section ~~3317.022~~ 3306.12 of the Revised Code for transporting the pupil.

If the board declines to transport the pupil, the board, in a written communication to the parent, guardian, or other person in charge of the pupil, shall state the reasons for declining the request."

Between lines 43599 and 43600, insert:

"**Sec. 3329.16.** If the superintendent of public instruction determines that a school district has expended for other purposes any moneys appropriated by the general assembly for the specific purpose of purchasing textbooks or other instructional materials, the superintendent shall notify the school district of this determination within seven days and shall deduct the amount so expended from payments otherwise due to the district under Chapter 3306. or 3317. of the Revised Code."

Between lines 46171 and 46172, insert:

"**Sec. 3349.242.** Any agreement authorized by section 3349.241 of the

Revised Code may provide for the amounts of such participation by such school district or districts in the development, maintenance, and operation of such municipal university, but no funds granted to school districts under Chapter 3306. or 3317. of the Revised Code shall be used for such purposes. By the terms of any such agreement the school district or districts and their residents shall be entitled to the educational advantages of said municipal university at the same rate of tuition, fees, and other charges as are provided for the residents of the municipal corporation in which such municipal university is situated."

Between lines 46475 and 46476, insert:

"**Sec. 3365.01.** As used in this chapter:

(A) "College" means any state-assisted college or university described in section 3333.041 of the Revised Code, any nonprofit institution holding a certificate of authorization pursuant to Chapter 1713. of the Revised Code, any private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code, and any institution holding a certificate of registration from the state board of career colleges and schools and program authorization for an associate or bachelor's degree program issued under section 3332.05 of the Revised Code.

(B) "School district," except as specified in division (G) of this section, means any school district to which a student is admitted under section 3313.64, 3313.65, 3313.98, or 3317.08 of the Revised Code and does not include a joint vocational or cooperative education school district.

(C) "Parent" has the same meaning as in section 3313.64 of the Revised Code.

(D) "Participant" means a student enrolled in a college under the post-secondary enrollment options program established by this chapter.

(E) "Secondary grade" means the ninth through twelfth grades.

(F) "School foundation payments" means the amount required to be paid to a school district for a fiscal year under ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code.

(G) "Tuition base" means, with respect to a participant's school district, the sum of the formula amount plus the per pupil amount of the base funding supplements specified in divisions (C)(1) to (4) of section 3317.012 of the Revised Code for fiscal year 2009.

The participant's "school district" in the case of a participant enrolled in a community school shall be the school district in which the student is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code.

(H) "Educational program" means enrollment in one or more school districts, in a nonpublic school, or in a college under division (B) of section 3365.04 of the Revised Code.

(I) "Nonpublic school" means a chartered or nonchartered school for

which minimum standards are prescribed by the state board of education pursuant to division (D) of section 3301.07 of the Revised Code.

(J) "School year" means the year beginning on the first day of July and ending on the thirtieth day of June.

(K) "Community school" means any school established pursuant to Chapter 3314. of the Revised Code that includes secondary grades.

(L) "STEM school" means a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code."

In line 46703, strike through "division (D) of"

In line 46704, strike through "3317.022" and insert " 3306.12"

Between lines 79507 and 79508, insert:

"**Sec. 5126.05.** (A) Subject to the rules established by the director of mental retardation and developmental disabilities pursuant to Chapter 119. of the Revised Code for programs and services offered pursuant to this chapter, and subject to the rules established by the state board of education pursuant to Chapter 119. of the Revised Code for programs and services offered pursuant to Chapter 3323. of the Revised Code, the county board of mental retardation and developmental disabilities shall:

(1) Administer and operate facilities, programs, and services as provided by this chapter and Chapter 3323. of the Revised Code and establish policies for their administration and operation;

(2) Coordinate, monitor, and evaluate existing services and facilities available to individuals with mental retardation and developmental disabilities;

(3) Provide early childhood services, supportive home services, and adult services, according to the plan and priorities developed under section 5126.04 of the Revised Code;

(4) Provide or contract for special education services pursuant to Chapters 3306., 3317. , and 3323. of the Revised Code and ensure that related services, as defined in section 3323.01 of the Revised Code, are available according to the plan and priorities developed under section 5126.04 of the Revised Code;

(5) Adopt a budget, authorize expenditures for the purposes specified in this chapter and do so in accordance with section 319.16 of the Revised Code, approve attendance of board members and employees at professional meetings and approve expenditures for attendance, and exercise such powers and duties as are prescribed by the director;

(6) Submit annual reports of its work and expenditures, pursuant to sections 3323.09 and 5126.12 of the Revised Code, to the director, the superintendent of public instruction, and the board of county commissioners at the close of the fiscal year and at such other times as may reasonably be

requested;

(7) Authorize all positions of employment, establish compensation, including but not limited to salary schedules and fringe benefits for all board employees, approve contracts of employment for management employees that are for a term of more than one year, employ legal counsel under section 309.10 of the Revised Code, and contract for employee benefits;

(8) Provide service and support administration in accordance with section 5126.15 of the Revised Code;

(9) Certify respite care homes pursuant to rules adopted under section 5123.171 of the Revised Code by the director of mental retardation and developmental disabilities.

(B) To the extent that rules adopted under this section apply to the identification and placement of children with disabilities under Chapter 3323. of the Revised Code, they shall be consistent with the standards and procedures established under sections 3323.03 to 3323.05 of the Revised Code.

(C) Any county board may enter into contracts with other such boards and with public or private, nonprofit, or profit-making agencies or organizations of the same or another county, to provide the facilities, programs, and services authorized or required, upon such terms as may be agreeable, and in accordance with this chapter and Chapter 3323. of the Revised Code and rules adopted thereunder and in accordance with sections 307.86 and 5126.071 of the Revised Code.

(D) A county board may combine transportation for children and adults enrolled in programs and services offered under section 5126.12 with transportation for children enrolled in classes funded under section 3317.20 or units approved under section 3317.05 of the Revised Code.

(E) A county board may purchase all necessary insurance policies, may purchase equipment and supplies through the department of administrative services or from other sources, and may enter into agreements with public agencies or nonprofit organizations for cooperative purchasing arrangements.

(F) A county board may receive by gift, grant, devise, or bequest any moneys, lands, or property for the benefit of the purposes for which the board is established and hold, apply, and dispose of the moneys, lands, and property according to the terms of the gift, grant, devise, or bequest. All money received by gift, grant, bequest, or disposition of lands or property received by gift, grant, devise, or bequest shall be deposited in the county treasury to the credit of such board and shall be available for use by the board for purposes determined or stated by the donor or grantor, but may not be used for personal expenses of the board members. Any interest or earnings accruing from such gift, grant, devise, or bequest shall be treated in the same manner and subject to the same provisions as such gift, grant, devise, or bequest.

(G) The board of county commissioners shall levy taxes and make

appropriations sufficient to enable the county board of mental retardation and developmental disabilities to perform its functions and duties, and may utilize any available local, state, and federal funds for such purpose."

Between lines 79834 and 79835, insert:

"**Sec. 5126.24.** (A) As used in this section:

(1) "License" means an educator license issued by the state board of education under section 3319.22 of the Revised Code or a certificate issued by the department of mental retardation and developmental disabilities.

(2) "Teacher" means a person employed by a county board of mental retardation and developmental disabilities in a position that requires a license.

(3) "Nonteaching employee" means a person employed by a county board of mental retardation and developmental disabilities in a position that does not require a license.

(4) "Years of service" includes all service described in division (A) of section 3317.13 of the Revised Code.

(B) Subject to rules established by the director of mental retardation and developmental disabilities pursuant to Chapter 119. of the Revised Code, each county board of mental retardation and developmental disabilities shall annually adopt separate salary schedules for teachers and nonteaching employees.

(C) The teachers' salary schedule shall provide for increments based on training and years of service. The board may establish its own service requirements provided no teacher receives less than the salary the teacher would be paid under section 3317.13 of the Revised Code if the teacher were employed by a school district board of education and provided full credit for a minimum of five years of actual teaching and military experience as defined in division (A) of such section is given to each teacher.

Each teacher who has completed training that would qualify the teacher for a higher salary bracket pursuant to this section shall file by the fifteenth day of September with the fiscal officer of the board, satisfactory evidence of the completion of such additional training. The fiscal officer shall then immediately place the teacher, pursuant to this section, in the proper salary bracket in accordance with training and years of service. No teacher shall be paid less than the salary to which the teacher would be entitled under section 3317.13 of the Revised Code if the teacher were employed by a school district board of education.

The superintendent of each county board, on or before the fifteenth day of October of each year, shall certify to the state board of education the name of each teacher employed, on an annual salary, in each special education program operated pursuant to section 3323.09 of the Revised Code during the first full school week of October. The superintendent further shall certify, for each teacher, the number of years of training completed at a recognized college, the

degrees earned from a college recognized by the state board, the type of license held, the number of months employed by the board, the annual salary, and other information that the state board may request.

(D) The nonteaching employees' salary schedule established by the board shall be based on training, experience, and qualifications with initial salaries no less than salaries in effect on July 1, 1985. Each board shall prepare and may amend from time to time, specifications descriptive of duties, responsibilities, requirements, and desirable qualifications of the classifications of employees required to perform the duties specified in the salary schedule. All nonteaching employees shall be notified of the position classification to which they are assigned and the salary for the classification. The compensation of all nonteaching employees working for a particular board shall be uniform for like positions except as compensation would be affected by salary increments based upon length of service.

On the fifteenth day of October of each year the nonteaching employees' salary schedule and list of job classifications and salaries in effect on that date shall be filed by each board with the superintendent of public instruction. If such salary schedule and classification plan is not filed, the superintendent of public instruction shall order the board to file such schedule and list forthwith. If this condition is not corrected within ten days after receipt of the order from the superintendent, no money shall be distributed to the district under Chapter 3306. or 3317. of the Revised Code until the superintendent has satisfactory evidence of the board's full compliance with such order."

Between lines 82229 and 82230, insert:

"**Sec. 5715.26.** (A)(1) Upon receiving the statement required by section 5715.25 of the Revised Code, the county auditor shall forthwith add to or deduct from each tract, lot, or parcel of real property or class of real property the required percentage or amount of the valuation thereof, adding or deducting any sum less than five dollars so that the value of any separate tract, lot, or parcel of real property shall be ten dollars or some multiple thereof.

(2) ~~When he has made~~ After making the additions or deductions required by this section, the auditor shall transmit to the tax commissioner the appropriate adjusted abstract of the real property of each taxing district in ~~his~~ the auditor's county in which an adjustment was required.

(3) If the commissioner increases or decreases the aggregate value of the real property or any class thereof in any county or taxing district thereof and does not receive within ninety days thereafter an adjusted abstract conforming to its statement for such county or taxing district therein, ~~he~~ the commissioner shall withhold from such county or taxing district therein fifty per cent of its share in the distribution of state revenues to local governments pursuant to sections 5747.50 to 5747.55 of the Revised Code and shall direct the department of education to withhold therefrom fifty per cent of state revenues to school districts pursuant to ~~Chapter~~ Chapters 3306. and 3317. of the Revised Code. The

commissioner shall withhold the distribution of such funds until such county auditor has complied with this division, and the department shall withhold the distribution of such funds until the commissioner has notified the department that such county auditor has complied with this division.

(B)(1) If the commissioner's determination is appealed under section 5715.251 of the Revised Code, the county auditor, treasurer, and all other officers shall forthwith proceed with the levy and collection of the current year's taxes in the manner prescribed by law. The taxes shall be determined and collected as if the commissioner had determined under section 5715.24 of the Revised Code that the real property and the various classes thereof in the county as shown in the auditor's abstract were assessed for taxation and the true and agricultural use values were recorded on the agricultural land tax list as required by law.

(2) If as a result of the appeal to the board it is finally determined either that all real property and the various classes thereof have not been assessed as required by law or that the values set forth in the agricultural land tax list do not correctly reflect the true and agricultural use values of the lands contained therein, the county auditor shall forthwith add to or deduct from each tract, lot, or parcel of real property or class of real property the required percentage or amount of the valuation in accordance with the order of the board or judgment of the court to which the board's order was appealed, and the taxes on each tract, lot, or parcel and the percentages required by section 319.301 of the Revised Code shall be recomputed using the valuation as finally determined. The order or judgment making the final determination shall prescribe the time and manner for collecting, crediting, or refunding the resultant increases or decreases in taxes."

In line 82900, after "means" insert " the following:

(a) For fiscal years prior to fiscal year 2010,"

Between lines 82920 and 82921, insert:

" (b) For fiscal year 2010 and for each fiscal year thereafter, the sum of the amounts computed for the district under sections 3306.052, 3306.12, 3306.13, 3306.19, 3306.191, and 3306.192; division (G) of section 3317.024; sections 3317.05, 3317.052, and 3317.053 of the Revised Code; and the adjustments required by division (C) of section 3310.08; division (C)(2) of section 3310.41; division (C) of section 3314.08; division (D)(2) of section 3314.091; division (D) of section 3314.13; divisions (E), (K), (L), (M), and (N) of section 3317.023; division (C) of section 3317.20; and sections 3313.979 and 3313.981 of the Revised Code."

In line 82922, after "means" insert " the following:

(a) For fiscal years prior to fiscal year 2010,"

Between lines 82928 and 82929, insert:

" (b) For fiscal years 2010 and 2011, the amount computed for the district in accordance with the section of this act entitled "FUNDING FOR JOINT

VOCATIONAL SCHOOL DISTRICTS"."

In line 88673, after "means" insert " the following:

(a) For fiscal years prior to fiscal year 2010,"

Between lines 88688 and 88689, insert:

" (b) For fiscal year 2010 and for each fiscal year thereafter, the sum of the amounts computed under sections 3306.052, 3306.12, 3306.13, 3306.19, 3306.191, and 3306.192 of the Revised Code."

In line 88690, after "means" insert " the following:

(a) For fiscal years prior to fiscal year 2010,"

Between lines 88695 and 88696, insert:

" (b) For fiscal years 2010 and 2011, the amount paid in accordance with the section of this act entitled "FUNDING FOR JOINT VOCATIONAL SCHOOL DISTRICTS.""

In line 90843, after "3302.03," insert "3302.031,"; after "3304.231," insert "3307.31, 3307.64, 3309.41, 3309.48, 3309.51,"

In line 90844, after "3310.03," insert "3310.08, 3310.09,"; after "3310.14," insert "3310.41,"; after "3311.059," insert "3311.06, 3311.19, 3311.21, 3311.29, 3311.52, 3311.76,"; after "3313.46," insert "3313.483,"; after "3313.53," insert "3313.55,"

In line 90845, after "3313.642," insert "3313.6410,"

In line 90846, after "3313.978," insert "3313.98, 3313.981,"; after "3314.085," insert "3314.087, 3314.091, 3314.10, 3314.13,"

In line 90847, after "3315.37," insert "3316.041, 3316.06, 3316.20, 3317.01, 3317.011,"; after "3317.022," insert "3317.023, 3317.024, 3317.025, 3317.0210, 3317.0211, 3317.0216,"; after "3317.03," insert "3317.031, 3317.04, 3317.061,"

In line 90848, after "3317.08," insert "3317.081, 3317.082, 3317.12, 3317.16, 3317.18, 3317.20, 3317.201,"; after "3318.011," insert "3318.051,"; after 3319.08," insert "3319.088,"

In line 90851, after "3319.56," insert "3319.57,"

In line 90852, after "3323.05," insert "3323.091, 3323.14, 3323.142, 3324.05,"; after "3326.11," insert "3326.33,"; after "3326.36," insert "3327.02, 3327.04, 3327.05,"; after "3327.10," insert "3329.16,"

In line 90856, after "3345.66," insert "3349.242,"; after "3354.26," insert "3365.01,"

In line 90910, after "5126.044," insert "5126.05,"

In line 90911, after "5126.19," insert "5126.24,"

In line 90914, after "5715.251," insert "5715.26,"

In line 93818, delete "$705,000,000 $711,000,000" and insert "$990,236,905 $1,277,271,428"

In line 93820, add $285,236,905 to fiscal year 2010 and $566,271,428 to fiscal year 2011

In line 93826, add $285,236,905 to fiscal year 2010 and $566,271,428 to fiscal year 2011

Between lines 94402 and 94403, insert:

"Of the foregoing appropriation item 200502, Pupil Transportation, $376,914,469 in each fiscal year shall be used to calculate the prorated portion of transportation aid to school districts and shall be distributed as provided by division (L)(1) of section 3306.12 of the Revised Code."

In line 94404, delete "to fund the transportation payments" and insert "for additional transportation aid for school districts as provided by division (L)(2) of section 3306.12 of the Revised Code."

Delete lines 94405 through 94407

Delete lines 94439 through 94442

Delete lines 94448 through 94475

In line 94571, delete "$90,000,000" and insert "$92,300,000"; delete "each"; after "year" insert "2010 and $92,700,000 in fiscal year 2011"

In line 94574, delete "This" and insert "For each fiscal year, this"; after "the" insert "greater of the"

In line 94575, after "for" insert "that fiscal year or for"

In line 94576, after "and" insert "the total state education aid offset calculated for fiscal year 2009 for"

In line 94580, delete "offset for fiscal year 2009" and insert "offsets"

In line 94587, delete "$119,000,000" and insert "$127,700,000"; delete "each"; after "year" insert "2010 and $126,600,000 in fiscal year 2011"

In line 94590, delete "This" and insert "For each fiscal year, this"; after "the" insert "greater of the"

In line 94591, after "for" insert "that fiscal year or for"

In line 94592, after "and" insert "the total state education aid offset calculated for fiscal year 2009 for"

In line 94595, delete "offset for fiscal year 2009" and insert "offsets"

Between lines 94603 and 94604, insert:

"Of the foregoing appropriation item 200550, Foundation Funding, up to

$15,000,000 in each fiscal year shall be reserved for payments under sections 3317.026, 3317.027, and 3317.028 of the Revised Code except that the Controlling Board may increase the $15,000,000 amount if presented with such a request from the Department of Education.

Of the foregoing appropriation item 200550, Foundation Funding, up to $8,100,000 in each fiscal year shall be used to fund gifted education units at educational service centers under division (L) of section 3317.024 of the Revised Code, notwithstanding divisions (D)(3) and (6) of section 3317.018 of the Revised Code.

Of the foregoing appropriation item 200550, Foundation Funding, an amount shall be available in each fiscal year to be used by the Department of Education for transitional aid for school districts under section 3306.19 of the Revised Code."

In line 94648, delete "200521,"

In line 94649, delete "Gifted Pupil Program,"

Delete lines 94667 through 94882

In line 94887, delete ", the" and insert ":

(A) The"; after "each" insert "city, local, and exempted village school"

In line 94888, after "year" insert "the greater of the respective "state education aid offset" amount calculated for the district for the current fiscal year or"

Delete lines 94890 through 94997 and insert:

"(B) The Department shall use for each joint vocational school district for each fiscal year the respective "state education aid offset" amount calculated for the district for fiscal year 2009."

In line 95007, delete "1.9" and insert "0.75"

Between lines 95937 and 95938, insert:

"**Section 265.70.80.** Notwithstanding section 3306.31 of the Revised Code, in fiscal year 2010, the Governor's Closing the Achievement Gap Initiative shall work with those districts that have a three-year overall average graduation rate of 80 per cent or less to assist them in planning for the implementation of the program in fiscal year 2011. Districts that are currently participating in the program and that continue to have a three-year overall graduation rate of 80 per cent or less are encouraged to maintain existing programs during this planning period."

In line 106538, after "3301.95," insert "3302.031, 3306.01, 3306.012, 3306.02, 3306.03, 3306.04, 3306.05, 3306.051, 3306.052, 3306.06, 3306.07, 3306.08, 3306.09, 3306.091, 3306.10, 3306.11, 3306.12, 3306.13, 3306.17, 3306.18, 3306.19, 3306.191, 3306.192, 3306.21, 3306.22, 3306.25, 3306.30,

3306.31, 3306.33, 3306.34, 3306.35, 3306.40, 3307.31, 3307.64, 3309.41, 3309.48, 3309.51, 3310.08, 3310.09, 3310.41,"

In line 106539, after "3311.0510," insert "3311.06, 3311.19, 3311.21, 3311.29, 3311.52, 3311.76, 3313.483, 3313.55,"; after "3313.642," insert "3313.6410,"; after "3313.843," insert "3313.98, 3313.981,"

In line 106540, after "3314.085," insert "3314.087, 3314.088, 3314.091, 3314.10, 3314.13,"; after "3314.35," insert "3316.041, 3316.06, 3316.20, 3317.01, 3317.011,"; after "3317.013," insert "3317.018,"; after "3317.022," insert "3317.023, 3317.024, 3317.025, 3317.0210, 3317.0211, 3317.0216,"; after "3317.03," insert "3317.031, 3317.04, 3317.061,"

In line 106541, after "3317.063," insert "3317.081, 3317.082, 3317.12, 3317.16, 3317.18, 3317.20, 3317.201, 3318.051,"; after "3318.011," insert "3319.088, 3319.57, 3323.091, 3323.14, 3323.142, 3324.05, 3326.33, 3326.39, 3327.02, 3327.04, 3327.05, 3329.16,"

In line 106542, after "3345.32," insert "3349.242, 3365.01,"

In line 106547, after "5123.193," insert "5126.05, 5126.24,"; after "5703.80," insert "5715.26,"

In line 66 of the title, after "3302.03," insert "3302.031,"; after "3304.231," insert "3307.31, 3307.64, 3309.41, 3309.48, 3309.51,"; after "3310.03," insert "3310.08, 3310.09,"; after "3310.14," insert "3310.41,"

In line 67 of the title, after "3311.059," insert "3311.06, 3311.19, 3311.21, 3311.29, 3311.52, 3311.76,"; after "3313.46," insert "3313.483,"; after "3313.53," insert "3313.55,"

In line 68 of the title, after "3313.642," insert "3313.6410,"

In line 69 of the title, after "3313.978," insert "3313.98, 3313.981,"

In line 70 of the title, after "3314.085," insert "3314.087, 3314.091, 3314.10, 3314.13,"; after "3315.37," insert "3316.041, 3316.06, 3316.20, 3317.01, 3317.011,"

In line 71 of the title, after "3317.022," insert "3317.023, 3317.024, 3317.025, 3317.0210, 3317.0211, 3317.0216,"; after "3317.03," insert "3317.031, 3317.04, 3317.061,"

In line 72 of the title, after "3317.08," insert "3317.081, 3317.082, 3317.12, 3317.16, 3317.18, 3317.20,"; after "3318.011," insert "3318.051,"

In line 73 of the title, after "3319.08," insert "3319.088,"

In line 76 of the title, after "3319.56," insert "3319.57,"

In line 77 of the title, after "3323.05," insert "3323.091, 3323.14, 3323.142, 3324.05,"; after "3326.11," insert "3326.33,"

In line 78 of the title, after "3326.36," insert "3327.02, 3327.04,

3327.05,"; after "3327.10," insert "3329.16,"

In line 83 of the title, after "3345.66," insert "3349.242,"; after "3354.26," insert "3365.01,"

In line 157 of the title, after "5126.044," insert "5126.05,"; after "5126.19," insert "5126.24,"

In line 162 of the title, after "5715.251," insert "5715.26,"

In line 198 of the title, after "3304.182," insert "3306.01, 3306.011, 3306.012, 3306.02, 3306.03, 3306.04, 3306.05, 3306.051, 3306.052, 3306.06, 3306.07, 3306.08, 3306.09, 3306.091, 3306.10, 3306.11, 3306.12, 3306.13, 3306.18, 3306.19, 3306.191, 3306.192, 3306.21, 3306.22, 3306.25, 3306.30, 3306.31, 3306.33, 3306.34, 3306.35, 3306.40,"

In line 200 of the title, after "3314.028," insert "3314.088,"; after "3314.44," insert "3317.018,"

In line 201 of the title, after "3323.052," insert "3326.39,"

In line 442, after "3319.612," insert "3321.041,"

In line 38423, after "3321.01," insert " 3321.041,"

Between lines 43147 and 43148, insert:

" **Sec. 3321.041.** (A) As used in this section, "extracurricular activity" means a pupil activity program that a school or school district operates and is not included in the school district's graded course of study, including an interscholastic extracurricular activity that a school or school district sponsors or participates in and that has participants from more than one school or school district.

(B) Beginning in the 2009-2010 school year, if a student enrolled in a school district is absent from school for the sole purpose of traveling out of the state to participate in an enrichment activity approved by the district board of education or in an extracurricular activity, the district shall count that absence as an excused absence, up to a maximum of four days per school year. The district shall require any such student to complete any classroom assignments that the student misses because of the absence.

(C) If a student will be absent from school for four or more consecutive school days for a purpose described in division (B) of this section, a classroom teacher employed by the school district shall accompany the student during the travel period to provide the student with instructional assistance."

In line 43407, after "3321.01," insert " 3321.041,"

In line 201 of the title, after "3319.612," insert "3321.041,"

In line 315, after "504.21," insert "505.82,"

In line 324, after "1514.08," insert "1514.10,"

In line 325, after "1515.183," insert "1517.02, 1517.10, 1517.11, 1517.14, 1517.16, 1517.17, 1517.18,"

In line 332, after "1541.03," insert "1547.01, 1547.51, 1547.52, 1547.531, 1547.54, 1547.542, 1547.73, 1547.99,"

In line 361, after "3714.02," insert "3714.03,"

In line 377, after "4501.06," insert "4501.24,"

In line 420, after the first comma insert "1517.14 (1547.81), 1517.16 (1547.82), 1517.17 (1547.83), 1517.18 (1547.84),"

In line 435, after "1545.073," insert "1547.02, 1547.85, 1547.86, 1547.87,"

Between lines 20019 and 20020, insert:

"**Sec. 505.82.** (A) If a board of township trustees by a unanimous vote or, in the event of the unavoidable absence of one trustee, by an affirmative vote of two trustees adopts a resolution declaring that an emergency exists that threatens life or property within the unincorporated territory of the township or that such an emergency is imminent, the board may exercise the powers described in divisions (A)(1) and (2) and (B) of this section during the emergency for a period of time not exceeding six months following the adoption of the resolution. The resolution shall state the specific time period for which the emergency powers are in effect.

(1) If an owner of an undedicated road or stream bank in the unincorporated territory of the township has not provided for the removal of snow, ice, debris, or other obstructions from the road or bank, the board may provide for that removal. Prior to providing for the removal, the board shall give, or make a good faith attempt to give, oral notice to the owner or owners of the road or bank of the board's intent to clear the road or bank and to impose a service charge for doing so. The board shall establish just and equitable service charges for the removal to be paid, except as provided in division (B) of this section, by the owners of the road or bank.

The board shall keep a record of the costs incurred by the township in removing snow, ice, debris, or other obstructions from the road or bank. The service charges shall be based on these costs and shall be in an amount sufficient to recover these costs. If there is more than one owner of the road or bank, the board, except as provided in division (B) of this section, shall allocate the service charges among the owners on an equitable basis. The board shall notify, in writing, each owner of the road or bank of the amount of the service charges and shall certify the charges to the county auditor. The service charges shall constitute a lien upon the property. The auditor shall place the service charges on a special duplicate to be collected as other taxes and returned to the township general fund.

(2) The board may contract for the immediate acquisition, replacement,

or repair of equipment needed for the emergency situation, without following the competitive bidding requirements of section 5549.21 or any other section of the Revised Code.

(B) In lieu of collecting service charges from owners for the removal of snow or ice from an undedicated road by the board of township trustees as provided in division (A)(1) of this section, the board may enter into a contract with a developer whereby the developer agrees to pay the service charges for the snow and ice removal instead of the owners.

(C) The removal of snow, ice, debris, or other obstructions from an undedicated road by a board of township trustees acting pursuant to a resolution adopted under division (A) of this section does not constitute approval or acceptance of the undedicated road.

(D) As used in this section, "undedicated road" means a road that has not been approved and accepted by the board of county commissioners and is not a part of the state, county, or township road systems as provided in section 5535.01 of the Revised Code.

(E) Nothing in this section shall be construed to waive the requirement under section ~~1517.16~~ 1547.82 of the Revised Code that approval of plans be obtained from the director of natural resources or the director's representative prior to modifying or causing the modification of the channel of any watercourse in a wild, scenic, or recreational river area outside the limits of a municipal corporation."

Between lines 23664 and 23665, insert:

"**Sec. 1514.10.** No person shall:

(A)(1) Engage in surface mining without a permit;

(2) Engage in in-stream mining or conduct an in-stream mining operation without an in-stream mining permit issued by the chief of the division of mineral resources management. A person who, on ~~the effective date of this amendment~~ March 15, 2002, holds a valid permit to conduct in-stream mining that is issued under section 10 of the "Rivers and Harbors Appropriation Act of 1899," 30 Stat. 1151, 33 U.S.C. 403, as amended, shall not be required to obtain an in-stream mining permit from the chief under this chapter until the existing permit expires.

(B) Exceed the limits of a surface or in-stream mining permit or amendment to a permit by mining land contiguous to an area of land affected under a permit or amendment, which contiguous land is not under a permit or amendment;

(C) Purposely misrepresent or omit any material fact in an application for a surface or in-stream mining permit or amendment, an annual or final report, or any hearing or investigation conducted by the chief or the reclamation commission;

(D) Fail to perform any measure set forth in the approved plan of mining

and reclamation that is necessary to prevent damage to adjoining property or to achieve a performance standard required in division (A)(10) of section 1514.02 of the Revised Code, or violate any other requirement of this chapter, a rule adopted thereunder, or an order of the chief;

(E) Conduct surface excavations of minerals within any of the following:

(1) One hundred twenty feet horizontal distance outward from the highwater mark on each bank of an area designated as a wild, scenic, or recreational river area under sections ~~1517.14~~ 1547.81 to ~~1517.18~~ 1547.87 of the Revised Code or of a portion of a river designated as a component of the national wild and scenic river system under the "Wild and Scenic Rivers Act," 82 Stat. 906 (1968), 16 U.S.C. 1274, as amended;

(2) Seventy-five feet horizontal distance outward from the highwater mark on each bank of a watercourse that drains a surface area of more than one hundred square miles;

(3) Fifty feet horizontal distance outward from the highwater mark on each bank of a watercourse that drains a surface area of more than twenty-five square miles, but fewer than one hundred square miles unless a variance is obtained under rules adopted by the chief.

(F) Conduct any surface mining activity within any of the following:

(1) Seventy-five feet horizontal distance outward from the highwater mark on each bank of an area designated as a wild, scenic, or recreational river area under sections ~~1517.14~~ 1547.81 to ~~1517.18~~ 1547.87 of the Revised Code or of a portion of a river designated as a component of the national wild and scenic river system under the "Wild and Scenic Rivers Act," 82 Stat. 906 (1968), 16 U.S.C. 1274, as amended;

(2) Seventy-five feet horizontal distance outward from the highwater mark on each bank of a watercourse that drains a surface area of more than one hundred square miles;

(3) Fifty feet horizontal distance outward from the highwater mark on each bank of a watercourse that drains a surface area of more than twenty-five square miles, but fewer than one hundred square miles unless a variance is obtained under rules adopted by the chief.

A person who has been issued a surface mining permit prior to ~~the effective date of this amendment~~ March 15, 2002 may continue to operate under that permit and shall not be subject to the prohibitions established in divisions (E) and (F) of this section until the permit is renewed.

The number of square miles of surface area that a watercourse drains shall be determined by consulting the "gazetteer of Ohio streams," which is a portion of the Ohio water plan inventory published in 1960 by the division of water in the department of natural resources, or its successor, if any.

(G) Engage in any part of a process that is followed in the production of

minerals from the bottom of the channel of a watercourse in any of the following circumstances or areas:

(1) In an area designated as a wild, scenic, or recreational river area under sections ~~1517.14~~ 1547.81 to ~~1517.18~~ 1547.87 of the Revised Code, in a portion of a river designated as a component of the national wild and scenic river system under the "Wild and Scenic Rivers Act," 82 Stat. 906 (1968), 16 U.S.C. 1274, as amended, or within one-half mile upstream of any portion of such an area or component;

(2) During periods other than periods of low flow, as determined by rules adopted under section 1514.08 of the Revised Code;

(3) During critical fish or mussel spawning seasons as determined by the chief of the division of wildlife under Chapter 1531. of the Revised Code and rules adopted under it;

(4) In an area known to possess critical spawning habitat for a species of fish or mussel that is on the federal endangered species list established in accordance with the "Endangered Species Act of 1973," 87 Stat. 884, 16 U.S.C. 1531-1543, as amended, or the state endangered species list established in rules adopted under section 1531.25 of the Revised Code.

Division (G) of this section does not apply to the activities described in divisions (M)(1) and (2) of section 1514.01 of the Revised Code."

Between lines 24023 and 24024, insert:

"**Sec. 1517.02.** There is hereby created in the department of natural resources the division of natural areas and preserves, which shall be administered by the chief of the division of natural areas and preserves. The chief shall take an oath of office and shall file in the office of the secretary of state a bond signed by the chief and by a surety approved by the governor for a sum fixed pursuant to section 121.11 of the Revised Code.

The chief shall administer a system of nature preserves ~~and wild, scenic, and recreational river areas~~. The chief shall establish a system of nature preserves through acquisition and dedication of natural areas of state or national significance, which shall include, but not be limited to, areas that represent characteristic examples of Ohio's natural landscape types and its natural vegetation and geological history. The chief shall encourage landowners to dedicate areas of unusual significance as nature preserves, and shall establish and maintain a registry of natural areas of unusual significance.

The chief may ~~supervise, operate, protect, and maintain wild, scenic, and recreational river areas, as designated by the director of natural resources. The chief may cooperate with~~ participate in watershed planning activities with other states or federal agencies ~~administering any federal program concerning wild, scenic, or recreational river areas~~.

The chief shall do the following:

(A) Formulate policies and plans for the acquisition, use, management, and protection of nature preserves;

(B) Formulate policies for the selection of areas suitable for registration;

(C) Formulate policies for the dedication of areas as nature preserves;

(D) Prepare and maintain surveys and inventories of natural areas, rare and endangered species of plants and animals, and other unique natural features. The information shall be stored in the Ohio natural heritage database, established pursuant to this division, and may be made available to any individual or private or public agency for research, educational, environmental, land management, or other similar purposes that are not detrimental to the conservation of a species or feature. Information regarding sensitive site locations of species that are listed pursuant to section 1518.01 of the Revised Code and of unique natural features that are included in the Ohio natural heritage database is not subject to section 149.43 of the Revised Code if the chief determines that the release of the information could be detrimental to the conservation of a species or unique natural feature.

(E) Adopt rules for the use, visitation, and protection of nature preserves ~~,~~ and natural areas owned or managed through easement, license, or lease by the department and administered by the division ~~, and lands owned or managed through easement, license, or lease by the department and administered by the division that are within or adjacent to any wild, scenic, or recreational river area,~~ in accordance with Chapter 119. of the Revised Code;

(F) Provide facilities and improvements within the state system of nature preserves that are necessary for their visitation, use, restoration, and protection and do not impair their natural character;

(G) Provide interpretive programs and publish and disseminate information pertaining to nature preserves and natural areas for their visitation and use;

(H) Conduct and grant permits to qualified persons for the conduct of scientific research and investigations within nature preserves;

(I) Establish an appropriate system for marking nature preserves;

(J) Publish and submit to the governor and the general assembly a biennial report of the status and condition of each nature preserve, activities conducted within each preserve, and plans and recommendations for natural area preservation.

Sec. 1517.10. (A) As used in this section, "felony" has the same meaning as in section 109.511 of the Revised Code.

(B)(1) Any person selected by the chief of the division of natural areas and preserves for custodial or patrol service on the lands and waters operated or administered by the division shall be employed in conformity with the law applicable to the classified civil service of the state. Subject to division (C) of

this section, the chief may designate that person as a preserve officer. A preserve officer, in any nature preserve, in any natural area owned or managed through easement, license, or lease by the department of natural resources and administered by the division, and on lands owned or managed through easement, license, or lease by the department and administered by the division that are ~~within or adjacent to any wild, scenic, or recreational river area established under this chapter and~~ along any trail established under Chapter 1519. of the Revised Code, has the authority specified under section 2935.03 of the Revised Code for peace officers of the department of natural resources to keep the peace, to enforce all laws and rules governing those lands and waters, and to make arrests for violation of those laws and rules, provided that the authority shall be exercised on lands or waters administered by another division of the department only pursuant to an agreement with the chief of that division or to a request for assistance by an enforcement officer of that division in an emergency. A preserve officer, in or along any watercourse within, abutting, or upstream from the boundary of any area administered by the department, has the authority to enforce section 3767.32 of the Revised Code and any other laws prohibiting the dumping of refuse into or along waters and to make arrests for violation of those laws. The jurisdiction of a preserve officer shall be concurrent with that of the peace officers of the county, township, or municipal corporation in which the violation occurs.

The governor, upon the recommendation of the chief, shall issue to each preserve officer a commission indicating authority to make arrests as provided in this section.

The chief shall furnish a suitable badge to each commissioned preserve officer as evidence of the preserve officer's authority.

(2) If any person employed under this section is designated by the chief to act as an agent of the state in the collection of money resulting from the sale of licenses, fees of any nature, or other money belonging to the state, the chief shall require a surety bond from the person in an amount not less than one thousand dollars.

(3) A preserve officer may render assistance to a state or local law enforcement officer at the request of the officer or in the event of an emergency. Preserve officers serving outside the division of natural areas and preserves under this section or serving under the terms of a mutual aid compact authorized under section 1501.02 of the Revised Code shall be considered as performing services within their regular employment for the purposes of compensation, pension or indemnity fund rights, workers' compensation, and other rights or benefits to which they may be entitled as incidents of their regular employment.

Preserve officers serving outside the division of natural areas and preserves under this section or under the terms of a mutual aid compact retain personal immunity from civil liability as specified in section 9.86 of the Revised Code and shall not be considered an employee of a political subdivision for purposes of Chapter 2744. of the Revised Code. A political subdivision that uses

preserve officers under this section or under the terms of a mutual aid compact authorized under section 1501.02 of the Revised Code is not subject to civil liability under Chapter 2744. of the Revised Code as a result of any action or omission of any preserve officer acting under this section or under a mutual aid compact.

(C)(1) The chief of the division of natural areas and preserves shall not designate a person as a preserve officer pursuant to division (B)(1) of this section on a permanent basis, on a temporary basis, for a probationary term, or on other than a permanent basis if the person previously has been convicted of or has pleaded guilty to a felony.

(2)(a) The chief of the division of natural areas and preserves shall terminate the employment as a preserve officer of a person designated as a preserve officer under division (B)(1) of this section if that person does either of the following:

(i) Pleads guilty to a felony;

(ii) Pleads guilty to a misdemeanor pursuant to a negotiated plea agreement as provided in division (D) of section 2929.43 of the Revised Code in which the preserve officer agrees to surrender the certificate awarded to the preserve officer under section 109.77 of the Revised Code.

(b) The chief shall suspend from employment as a preserve officer a person designated as a preserve officer under division (B)(1) of this section if that person is convicted, after trial, of a felony. If the preserve officer files an appeal from that conviction and the conviction is upheld by the highest court to which the appeal is taken or if the preserve officer does not file a timely appeal, the chief shall terminate the employment of that preserve officer. If the preserve officer files an appeal that results in the preserve officer's acquittal of the felony or conviction of a misdemeanor, or in the dismissal of the felony charge against the preserve officer, the chief shall reinstate that preserve officer. A preserve officer who is reinstated under division (C)(2)(b) of this section shall not receive any back pay unless that preserve officer's conviction of the felony was reversed on appeal, or the felony charge was dismissed, because the court found insufficient evidence to convict the preserve officer of the felony.

(3) Division (C) of this section does not apply regarding an offense that was committed prior to January 1, 1997.

(4) The suspension from employment, or the termination of the employment, of a preserve officer under division (C)(2) of this section shall be in accordance with Chapter 119. of the Revised Code.

Sec. 1517.11. There is hereby created in the state treasury the natural areas and preserves fund, which shall consist of moneys transferred into it under section 5747.113 of the Revised Code and of contributions made directly to it. Any person may contribute directly to the fund in addition to or independently of the income tax refund contribution system established in that section.

Moneys in the fund shall be disbursed pursuant to vouchers approved by the director of natural resources for use by the division of natural areas and preserves solely for the following purposes:

(A) The acquisition of new or expanded natural areas ~~,~~ and nature preserves ~~, and wild, scenic, and recreational river areas~~;

(B) Facility development in natural areas ~~,~~ and nature preserves ~~, and wild, scenic, and recreational river areas~~;

(C) Special projects, including, but not limited to, biological inventories, research grants, and the production of interpretive material related to natural areas ~~,~~ and nature preserves ~~, and wild, scenic, and recreational river areas~~;

(D) Routine maintenance for health and safety purposes.

Moneys appropriated from the fund shall not be used to fund salaries of permanent employees or administrative costs.

All investment earnings of the fund shall be credited to the fund."

Between lines 26787 and 26788, insert:

"**Sec. 1547.01.** (A) As used in sections 1541.03, 1547.26, 1547.39, 1547.40, 1547.53, 1547.54, 1547.541, 1547.542, 1547.543, 1547.56, 1547.57, 1547.66, 3733.21, and 5311.01 of the Revised Code, "watercraft" means any of the following when used or capable of being used for transportation on the water:

(1) A vessel operated by machinery either permanently or temporarily affixed;

(2) A sailboat other than a sailboard;

(3) An inflatable, manually propelled boat that is required by federal law to have a hull identification number meeting the requirements of the United States coast guard;

(4) A canoe or rowboat.

"Watercraft" does not include ferries as referred to in Chapter 4583. of the Revised Code.

Watercraft subject to section 1547.54 of the Revised Code shall be divided into five classes as follows:

Class A: Less than sixteen feet in length;

Class 1: At least sixteen feet, but less than twenty-six feet in length;

Class 2: At least twenty-six feet, but less than forty feet in length;

Class 3: At least forty feet, but less than sixty-five feet in length;

Class 4: At least sixty-five feet in length.

(B) As used in this chapter:

(1) "Vessel" includes every description of craft, including nondisplacement craft and seaplanes, designed to be used as a means of transportation on water.

(2) "Rowboat" means any vessel, except a canoe, that is designed to be rowed and that is propelled by human muscular effort by oars or paddles and upon which no mechanical propulsion device, electric motor, internal combustion engine, or sail has been affixed or is used for the operation of the vessel.

(3) "Sailboat" means any vessel, equipped with mast and sails, dependent upon the wind to propel it in the normal course of operation.

(a) Any sailboat equipped with an inboard engine is deemed a powercraft with auxiliary sail.

(b) Any sailboat equipped with a detachable motor is deemed a sailboat with auxiliary power.

(c) Any sailboat being propelled by mechanical power, whether under sail or not, is deemed a powercraft and subject to all laws and rules governing powercraft operation.

(4) "Powercraft" means any vessel propelled by machinery, fuel, rockets, or similar device.

(5) "Person" includes any legal entity defined as a person in section 1.59 of the Revised Code and any body politic, except the United States and this state, and includes any agent, trustee, executor, receiver, assignee, or other representative thereof.

(6) "Owner" includes any person who claims lawful possession of a vessel by virtue of legal title or equitable interest therein that entitled the person to that possession.

(7) "Operator" includes any person who navigates or has under the person's control a vessel, or vessel and detachable motor, on the waters in this state.

(8) "Visible" means visible on a dark night with clear atmosphere.

(9) "Waters in this state" means all streams, rivers, lakes, ponds, marshes, watercourses, waterways, and other bodies of water, natural or humanmade, that are situated wholly or partially within this state or within its jurisdiction and are used for recreational boating.

(10) "Navigable waters" means waters that come under the jurisdiction of the department of the army of the United States and any waterways within or adjacent to this state, except inland lakes having neither a navigable inlet nor outlet.

(11) "In operation" in reference to a vessel means that the vessel is being navigated or otherwise used on the waters in this state.

(12) "Sewage" means human body wastes and the wastes from toilets and other receptacles intended to receive or retain body waste.

(13) "Canoe" means a narrow vessel of shallow draft, pointed at both ends and propelled by human muscular effort, and includes kayaks, racing shells, and rowing sculls.

(14) "Coast guard approved" means bearing an approval number assigned by the United States coast guard.

(15) "Type one personal flotation device" means a device that is designed to turn an unconscious person floating in water from a face downward position to a vertical or slightly face upward position and that has at least nine kilograms, approximately twenty pounds, of buoyancy.

(16) "Type two personal flotation device" means a device that is designed to turn an unconscious person in the water from a face downward position to a vertical or slightly face upward position and that has at least seven kilograms, approximately fifteen and four-tenths pounds, of buoyancy.

(17) "Type three personal flotation device" means a device that is designed to keep a conscious person in a vertical or slightly face upward position and that has at least seven kilograms, approximately fifteen and four-tenths pounds, of buoyancy.

(18) "Type four personal flotation device" means a device that is designed to be thrown to a person in the water and not worn and that has at least seven and five-tenths kilograms, approximately sixteen and five-tenths pounds, of buoyancy.

(19) "Type five personal flotation device" means a device that, unlike other personal flotation devices, has limitations on its approval by the United States coast guard, including, without limitation, all of the following:

(a) The approval label on the type five personal flotation device indicates that the device is approved for the activity in which the vessel is being used or as a substitute for a personal flotation device of the type required on the vessel in use.

(b) The personal flotation device is used in accordance with any requirements on the approval label.

(c) The personal flotation device is used in accordance with requirements in its owner's manual if the approval label refers to such a manual.

(20) "Inflatable watercraft" means any vessel constructed of rubber, canvas, or other material that is designed to be inflated with any gaseous substance, constructed with two or more air cells, and operated as a vessel. Inflatable watercraft propelled by a motor shall be classified as powercraft and

shall be registered by length. Inflatable watercraft propelled by a sail shall be classified as a sailboat and shall be registered by length.

(21) "Idle speed" means the slowest possible speed needed to maintain steerage or maneuverability.

(22) "Diver's flag" means a red flag not less than one foot square having a diagonal white stripe extending from the masthead to the opposite lower corner that when displayed indicates that divers are in the water.

(23) "Muffler" means an acoustical suppression device or system that is designed and installed to abate the sound of exhaust gases emitted from an internal combustion engine and that prevents excessive or unusual noise.

(24) "Law enforcement vessel" means any vessel used in law enforcement and under the command of a law enforcement officer.

(25) "Personal watercraft" means a vessel, less than sixteen feet in length, that is propelled by machinery and designed to be operated by an individual sitting, standing, or kneeling on the vessel rather than by an individual sitting or standing inside the vessel.

(26) "No wake" has the same meaning as "idle speed."

(27) "Watercraft dealer" means any person who is regularly engaged in the business of manufacturing, selling, displaying, offering for sale, or dealing in vessels at an established place of business. "Watercraft dealer" does not include a person who is a marine salvage dealer or any other person who dismantles, salvages, or rebuilds vessels using used parts.

(28) "Electronic" includes electrical, digital, magnetic, optical, electromagnetic, or any other form of technology that entails capabilities similar to these technologies.

(29) "Electronic record" means a record generated, communicated, received, or stored by electronic means for use in an information system or for transmission from one information system to another.

(30) "Electronic signature" means a signature in electronic form attached to or logically associated with an electronic record.

(31) "Drug of abuse" has the same meaning as in section 4506.01 of the Revised Code.

~~(C) Unless otherwise provided, this chapter applies to all vessels operating on the waters in this state. Nothing in this chapter shall be construed in contravention of any valid federal act or regulation, but is in addition to the act or regulation where not inconsistent.~~

~~The state reserves to itself the exclusive right to regulate the minimum equipment requirements of watercraft and vessels operated on the waters in this state.~~

(32) "Watercourse" means a substantially natural channel with recognized banks and bottom in which a flow of water occurs, with an average of at least ten feet mean surface water width and at least five miles of length.

(33) "Impoundment" means the reservoir created by a dam or other artificial barrier across a watercourse that causes water to be stored deeper than and generally beyond the banks of the natural channel of the watercourse during periods of normal flow, but does not include water stored behind rock piles, rock riffle dams, and low channel dams where the depth of water is less than ten feet above the channel bottom and is essentially confined within the banks of the natural channel during periods of normal stream flow.

(34) "Wild river area" means an area declared a wild river area by the director of natural resources under this chapter and includes those rivers or sections of rivers that are free of impoundments and generally inaccessible except by trail, with watersheds or shorelines essentially primitive and waters unpolluted, representing vestiges of primitive America.

(35) "Scenic river area" means an area declared a scenic river area by the director under this chapter and includes those rivers or sections of rivers that are free of impoundments, with shorelines or watersheds still largely primitive and shorelines largely undeveloped, but accessible in places by roads.

(36) "Recreational river area" means an area declared a recreational river area by the director under this chapter and includes those rivers or sections of rivers that are readily accessible by road or railroad, that may have some development along their shorelines, and that may have undergone some impoundment or diversion in the past.

Sec. 1547.02. Unless otherwise provided, this chapter applies to all vessels operating on the waters in this state. Nothing in this chapter shall be construed in contravention of any valid federal act or regulation, but is in addition to the act or regulation where not inconsistent.

The state reserves to itself the exclusive right to regulate the minimum equipment requirements of watercraft and vessels operated on the waters in this state.

Sec. 1547.51. There is hereby created within the department of natural resources the division of watercraft. The division shall ~~administer~~ do all of the following:

(A) Administer and enforce all laws relative to the identification, numbering, registration, titling, use, and operation of vessels operated on the waters in this state ~~and, with the approval of the director of natural resources, educate~~ ;

(B) Educate and inform the citizens of the state about, and promote, conservation, navigation, safety practices, and the benefits of recreational boating ;

(C) Provide wild, scenic, and recreational river area conservation education and provide for corridor protection, restoration, habitat enhancement, and clean-up projects in wild river areas, scenic river areas, and recreational river areas;

(D) Provide for and assist in the development, maintenance, and operation of marine recreational facilities, docks, launching facilities, and harbors for the benefit of public navigation, recreation, or commerce if the chief of the division of watercraft determines that they are in the best interests of the state.

Sec. 1547.52. (A) The division of watercraft shall be administered by the chief of the division of watercraft. The chief may adopt, amend, and rescind:

(1) Rules considered necessary by the chief to supplement the identification, operation, titling, use, registration, and numbering of watercraft or vessels as provided in this chapter and Chapter 1548. of the Revised Code;

(2) Rules governing the navigation of vessels on waters in this state, including, but not limited to, rules regarding steering and sailing, the conduct of vessels in sight of one another or in restricted visibility, lights and shapes of lights used on vessels, and sound and light signals. As the chief considers necessary, these navigational rules shall be consistent with and equivalent to the regulations and interpretive rulings governing inland waters adopted or issued under the "Inland Navigational Rules Act of 1980," 94 Stat. 3415, 33 U.S.C.A. 151, 1604, 1605, 1608, 2001 to 2008, and 2071 to 2073.

(3) Rules governing the use, visitation, protection, and administration of wild river areas, scenic river areas, and recreational river areas;

(4) Rules establishing fees and charges for all of the following:

(a) Boating skill development classes and other educational classes;

(b) Law enforcement services provided at special events when the services are in addition to normal enforcement duties;

(c) Inspections of vessels or motors conducted under this chapter or Chapter 1548. of the Revised Code ;

(d) The conducting of stream impact reviews of any planned or proposed construction, modification, renovation, or development project that may potentially impact a watercourse within a designated wild, scenic, or recreational river area.

All rules adopted by the chief under division (A) of this section shall be adopted in accordance with Chapter 119. of the Revised Code and are subject to the prior approval of the director of natural resources.

(B) The chief, with the approval of the director, may employ such clerical and technical help as the chief considers necessary.

(C) The chief may designate license agents with the approval of the

director.

(D) The division is hereby designated as the agency to administer the Ohio boating safety program and allocated federal funds under, and the chief shall prepare and submit reports in such form as may be required by, the "Federal Boat Safety Act of 1971," 85 Stat. 222, 46 U.S.C.A. 1475(a)(6), as amended.

(E) The chief may sell any of the following:

(1) Items related to or that promote boating safety, including, but not limited to, pins, badges, books, bulletins, maps, publications, calendars, and other educational articles;

(2) Artifacts pertaining to boating;

(3) Confiscated or forfeited items;

(4) Surplus equipment.

Sec. 1547.531. (A)(1) Except as provided in division (A)(2) or (B) of this section, no person shall operate or give permission for the operation of any watercraft on the waters in this state unless the watercraft is registered in the name of the current owner in accordance with section 1547.54 of the Revised Code, and the registration is valid and in effect.

(2) On and after January 1, 1999, if a watercraft that is required to be issued a certificate of title under Chapter 1548. of the Revised Code is transferred to a new owner, it need not be registered under section 1547.54 of the Revised Code for forty-five days following the date of the transfer, provided that the new owner purchases a temporary watercraft registration under division (A) of this section or holds a bill of sale from a watercraft dealer.

For the purposes of division (A)(2) of this section, a temporary watercraft registration or a bill of sale from a watercraft dealer shall contain at least all of the following information:

(a) The hull identification number or serial number of the watercraft;

(b) The make of the watercraft;

(c) The length of the watercraft;

(d) The type of propulsion, if any;

(e) The state in which the watercraft principally is operated;

(f) The name of the owner;

(g) The address of the owner, including the zip code;

(h) The signature of the owner;

(i) The date of purchase;

(j) A notice to the owner that the temporary watercraft registration

expires forty-five days after the date of purchase of the watercraft or that the watercraft cannot be operated on the waters in this state solely under the bill of sale beginning forty-five days after the date of purchase of the watercraft, as applicable.

(3) A person may purchase a temporary watercraft registration from the chief of the division of watercraft or from an authorized agent designated under section 1547.54 of the Revised Code. The chief shall furnish forms for temporary watercraft registrations to authorized agents. In addition to completing the registration form with the information specified in divisions (A)(2)(a) to (i) of this section, the person shall pay one of the applicable fees required under divisions (A)(2)(a) to (g) of section 1547.54 of the Revised Code as provided in that section.

Moneys received for the payment of temporary watercraft registrations shall be deposited to the credit of the waterways safety fund created in section 1547.75 of the Revised Code.

(4) In addition to the applicable fee required under division (A)(3) of this section, the chief or an authorized agent shall charge an additional writing fee of three dollars for a temporary watercraft registration that the chief or the authorized agent issues. When the temporary watercraft registration is issued by an authorized agent, the agent may retain the additional writing fee. When the temporary watercraft registration is issued by the chief, the additional writing fee shall be deposited to the credit of the waterways safety fund.

(5) A person who purchases a temporary watercraft registration for a watercraft and who subsequently applies for a registration certificate under section 1547.54 of the Revised Code need not pay the fee required under division (A)(2) of that section for the initial registration certificate issued for that watercraft, provided that at the time of application for the registration certificate, the person furnishes proof of payment for the temporary watercraft registration.

(6) A person who purchases a temporary watercraft registration, who subsequently applies for a registration certificate under section 1547.54 of the Revised Code, and who is exempt from payment for the registration certificate under division ~~(O)~~ (P) of that section may apply to the chief for a refund of the amount paid for the temporary watercraft registration at the time that the person applies for a registration certificate. The chief shall refund that amount upon issuance to the person of a registration certificate.

(7) All records of the division of watercraft made or maintained for the purposes of divisions (A)(2) to (8) of this section are public records. The records shall be available for inspection at reasonable hours and in a manner that is compatible with normal operations of the division.

(8) Pursuant to division (A)(1) of section 1547.52 of the Revised Code, the chief may adopt rules establishing all of the following:

(a) Record-keeping requirements governing the issuance of temporary

watercraft registrations and the use of bills of sale from watercraft dealers for the purposes of division (A)(2) of this section;

(b) Procedures and requirements for the refund of fees under division (A)(6) of this section;

(c) Any other procedures and requirements necessary for the administration and enforcement of divisions (A)(2) to (8) of this section.

(B) All of the following watercraft are exempt from registration:

(1) Those that are exempt from numbering by the state under divisions (B) to (G) of section 1547.53 of the Revised Code;

(2) Those that have been issued a commercial documentation by the United States coast guard or its successor and are used exclusively for commercial purposes;

(3) Those that have been documented by the United States coast guard or its successor as temporarily transitting, whose principal use is not on the waters in this state, and that have not been used within this state for more than sixty days.

(C) No person shall operate a watercraft documented by the United States coast guard or its successor unless the certificate of documentation is valid, is on the watercraft for which it has been issued, and is available for inspection whenever the watercraft is in operation. In accordance with 46 C.F.R. part 67, as amended, the watercraft shall display the official number, the vessel name, and the home port listed on the certificate of documentation.

(D)(1) For the purposes of this section and section 1547.53 of the Revised Code, a watercraft is principally using the waters in this state if any of the following applies:

(a) The owner resides in this state and declares that the watercraft principally is using the waters in this state.

(b) The owner resides in another state, but declares that the watercraft principally is using the waters in this state.

(c) The watercraft is registered in another state or documented by the United States coast guard and is used within this state for more than sixty days regardless of whether it has been assigned a seasonal or permanent mooring at any public or private docking facility in this state.

(2) Notwithstanding division (D)(1)(c) of this section, a person on active duty in the armed forces of the United States may register a watercraft in the person's state of permanent residence in lieu of registering it in this state regardless of the number of days that the watercraft is used in this state.

Sec. 1547.54. (A)(1) Except as otherwise provided in section 1547.542 of the Revised Code, the owner of every watercraft requiring registration under this chapter shall file an application for a triennial registration certificate with the

chief of the division of watercraft on forms that shall be provided by the chief or by an electronic means approved by the chief. The application shall be signed by the following:

(a) If the watercraft is owned by two persons under joint ownership with right of survivorship established under section 2131.12 of the Revised Code, by both of those persons as owners of the watercraft. The signatures may be done by electronic signature if the owners themselves are renewing the registration and there are no changes in the registration information since the issuance of the immediately preceding registration certificate. In all other instances, the signatures shall be done manually.

(b) If the watercraft is owned by a minor, by the minor and a parent or legal guardian. The signatures may be done by electronic signature if the parent or legal guardian and the minor themselves are renewing the registration and there are no changes in the registration information since the issuance of the immediately preceding registration certificate. In all other instances, the signatures shall be done manually.

(c) In all other cases, by the owner of the watercraft. The signature may be done by electronic signature if the owner is renewing the registration personally and there are no changes in the registration information since the issuance of the immediately preceding registration certificate. In all other instances, the signatures shall be done manually.

(2) An application for a triennial registration of a watercraft filed under division (A)(1) of this section shall be accompanied by the following fee:

(a) For canoes, rowboats, and inflatable watercraft that are numbered under section 1547.53 of the Revised Code, twelve dollars;

(b) For canoes, row boats, and inflatable watercraft that are not numbered under section 1547.53 of the Revised Code, seventeen dollars;

(c) For class A watercraft, including motorized canoes, thirty dollars;

(d) For class 1 watercraft, forty-five dollars;

(e) For class 2 watercraft, sixty dollars;

(f) For class 3 watercraft, seventy-five dollars;

(g) For class 4 watercraft, ninety dollars.

(3) For the purpose of registration, any watercraft operated by means of power, sail, or any other mechanical or electrical means of propulsion, except motorized canoes, shall be registered by length as prescribed in this section.

(4) If an application for registration is filed by two persons as owners under division (A)(1)(a) of this section, the person who is listed first on the title shall serve as and perform the duties of the "owner" and shall be considered the person "in whose name the watercraft is registered" for purposes of divisions (B) to ~~(Q)~~ (R) of this section and for purposes of all other sections in this chapter.

(B) All registration certificates issued under this section are valid for three years and are renewable on a triennial basis unless sooner terminated or discontinued in accordance with this chapter. The renewal date shall be printed on the registration certificate. A registration certificate may be renewed by the owner in the manner prescribed by the chief. All fees shall be charged according to a proration of the time remaining in the registration cycle to the nearest year.

(C) In addition to the fees set forth in this section, the chief, or any authorized agent, shall charge an additional writing fee of three dollars for any registration certificate the chief or authorized agent issues. When the registration certificate is issued by an authorized agent, the additional writing fee of three dollars shall be retained by the issuing agent. When the registration certificate is issued by the chief, the additional writing fee of three dollars shall be deposited to the credit of the waterways safety fund established in section 1547.75 of the Revised Code.

(D) In addition to the fees established in this section, watercraft that are not powercraft shall be charged a waterways conservation assessment fee of five dollars. The fee shall be collected at the time of the issuance of a triennial watercraft registration under division (A)(2) of this section and deposited in the state treasury and credited to a distinct account in the waterways safety fund created in section 1547.75 of the Revised Code.

(E)(1) Upon receipt of the application in approved form, the chief shall enter the same upon the records of the office of the division of watercraft, assign a number to the watercraft if a number is required under section 1547.53 of the Revised Code, and issue to the applicant a registration certificate. If a number is assigned by the chief, it shall be set forth on the certificate. The registration certificate shall be on the watercraft for which it is issued and available at all times for inspection whenever the watercraft is in operation, except that livery operators may retain the registration certificate at the livery where it shall remain available for inspection at all times and except as otherwise provided in division ~~(D)~~ (E)(2) of this section.

(2) A person who is operating on the waters of this state a canoe, rowboat, or inflatable watercraft that has not been numbered under section 1547.53 of the Revised Code and who is stopped by a law enforcement officer in the enforcement of this chapter or rules adopted under it shall present to the officer, not later than seventy-two hours after being stopped, a registration certificate. The registration certificate shall have been obtained under this section for the canoe, rowboat, or inflatable watercraft prior to the time that it was stopped. Failure of the person to present the registration certificate within seventy-two hours constitutes prima-facie evidence of a violation of this section.

~~(E)~~ (F) No person shall issue or be issued a registration certificate for a watercraft that is required to be issued a certificate of title under Chapter 1548. of the Revised Code except upon presentation of a certificate of title for the watercraft as provided in that chapter, proof of current documentation by the United States coast guard, a renewal registration form provided by the division

of watercraft, or a certificate of registration issued under this section that has expired if there is no change in the ownership or description of the watercraft.

~~(F)~~ (G) Whenever the ownership of a watercraft changes, a new application form together with the prescribed fee shall be filed with the chief or the chief's agent and a new registration certificate shall be issued. The application shall be signed manually by the person or persons specified in divisions (A)(1)(a) to (c) of this section and shall be accompanied by a two-dollar transfer fee. Any remaining time on the registration shall be transferred. An authorized agent of the chief shall charge an additional writing fee of three dollars, which shall be retained by the issuing agent. If the certificate is issued by the chief, an additional writing fee of three dollars for each certificate issued shall be collected and deposited to the credit of the waterways safety fund.

~~(G)~~ (H) If an agency of the United States has in force an overall system of identification numbering for watercraft or certain types of watercraft within the United States, the numbering system employed by the division shall be in conformity with that system.

~~(H)~~ (I)(1) The chief may assign any registration certificates to any authorized agent for the assignment of the registration certificates. If a person accepts that authorization, the person may be assigned a block of numbers and certificates that upon assignment, in conformity with this chapter and Chapter 1548. of the Revised Code and with rules of the division, shall be valid as if assigned directly by the division. Any person so designated as an agent by the chief shall post with the division security as may be required by the director of natural resources. The chief may issue an order temporarily or permanently restricting or suspending an agent's authorization without a hearing if the chief finds that the agent has violated this chapter or Chapter 1548. of the Revised Code, rules adopted under them, or any agreements prescribed by the chief.

(2) A clerk of the court of common pleas may apply for designation as an authorized agent of the chief. The division shall accept the clerk's bond that is required under section 2303.02 of the Revised Code for any security that is required for agents under this division, provided that the bond includes a rider or other provision specifically covering the clerk's duties as an authorized agent of the chief.

~~(I)~~ (J) All records of the division made or kept pursuant to this section shall be public records. Those records shall be available for inspection at reasonable hours and in a manner compatible with normal operations of the division.

~~(J)~~ (K) The owner shall furnish the division notice within fifteen days of the following:

(1) The transfer, other than through the creation of a security interest in any watercraft, of all or any part of the owner's interest or, if the watercraft is owned by two persons under joint ownership with right of survivorship

established under section 2131.12 of the Revised Code, of all or any part of the joint interest of either of the two persons. The transfer shall not terminate the registration certificate.

(2) Any change in the address appearing on the certificate . As a part of the notification, the owner shall furnish the chief with the owner's new address.

(3) The destruction or abandonment of the watercraft.

~~(K)~~ (L) The chief may issue duplicate registration certificates or duplicate tags to owners of currently registered watercraft, the fee for which shall be four dollars.

~~(L)~~ (M) If the chief finds that a registration certificate previously issued to an owner is in error to a degree that would impair its basic purpose and use, the chief may issue a corrected certificate to the owner without charge.

~~(M)~~ (N) No authorized agent shall issue and no person shall receive or accept from an authorized agent a registration certificate assigned to the authorized agent under division ~~(H)~~ (I) of this section unless the exact month, day, and year of issue are plainly written on the certificate by the agent. Certificates issued with incorrect dates of issue are void from the time they are issued.

~~(N)~~ (O) The chief, in accordance with Chapter 119. of the Revised Code, shall adopt rules governing the renewal of watercraft registrations by electronic means.

~~(O)~~ (P) As used in this section:

(1) "Disabled veteran" means a person who is included in either of the following categories:

(a) Because of a service-connected disability, has been or is awarded funds for the purchase of a motor vehicle under the "Disabled Veterans' and Servicemen's Automobile Assistance Act of 1970," 84 Stat. 1998, 38 U.S.C. 1901, and amendments thereto;

(b) Has a service-connected disability rated at one hundred per cent by the veterans administration.

(2) "Prisoner of war" means any regularly appointed, enrolled, enlisted, or inducted member of the military forces of the United States who was captured, separated, and incarcerated by an enemy of the United States at any time, and any regularly appointed, enrolled, or enlisted member of the military forces of Great Britain, France, Australia, Belgium, Brazil, Canada, China, Denmark, Greece, the Netherlands, New Zealand, Norway, Poland, South Africa, or the republics formerly associated with the Union of Soviet Socialist Republics or Yugoslavia who was a citizen of the United States at the time of the appointment, enrollment, or enlistment, and was captured, separated, and incarcerated by an enemy of this country during World War II.

~~(P)~~ (Q) Any disabled veteran, congressional medal of honor awardee, or prisoner of war may apply to the chief for a certificate of registration, or for a renewal of the certificate of registration, without the payment of any fee required by this section. The application for a certificate of registration shall be accompanied by evidence of disability or by documentary evidence in support of a congressional medal of honor that the chief requires by rule. The application for a certificate of registration by any person who has been a prisoner of war shall be accompanied by written evidence in the form of a record of separation, a letter from one of the armed forces of a country listed in division ~~(O)~~ (P)(2) of this section, or other evidence that the chief may require by rule, that the person was honorably discharged or is currently residing in this state on active duty with one of the branches of the armed forces of the United States, or was a prisoner of war and was honorably discharged or received an equivalent discharge or release from one of the armed forces of a country listed in division ~~(O)~~ (P)(2) of this section.

~~(Q)~~ (R) Annually by the fifteenth day of January, the director of natural resources shall determine the amount of fees that would have been collected in the prior calendar year for each certificate of registration issued or renewed pursuant to division ~~(P)~~ (Q) of this section and shall certify the total amount of foregone revenue to the director of budget and management for reimbursement. The director of budget and management shall transfer the amount certified from the general revenue fund to the waterways safety fund ~~created pursuant to section 1547.75 of the Revised Code~~.

Sec. 1547.542. Any person or organization owning any number of canoes, rowboats, inflatable watercraft, or sailboats for the purpose of rental to the public may apply with the chief of the division of watercraft for and receive an annual certificate of livery registration. No watercraft shall be rented to the public from a livery or other place of business in this state unless it first has been numbered and registered in accordance with this section or section 1547.54 of the Revised Code. Certificates of livery registration shall be issued by an authorized agent who is selected by the chief from among those designated under section 1547.54 of the Revised Code. The certificate shall display the name of the owner of the livery, the date of issuance, the date of expiration, the number of watercraft registered, the fee paid, an authorized facsimile of the signature of the chief provided by the authorized agent who is selected to issue the certificate, and the signature of the livery owner. The certificate shall bear the livery watercraft registration number assigned to the livery owner, which shall be displayed in accordance with section 1547.57 of the Revised Code on each watercraft in the fleet for which the certificate was issued. The owner of a livery shall obtain an amended certificate of livery registration from the chief whenever the composition of the fleet changes.

The fee for each watercraft registered under this section shall be an annual registration fee. The fee shall be one-third of the triennial registration fees prescribed in section 1547.54 of the Revised Code. However, if the size of the fleet does not increase, the fee for an amended certificate of livery registration

shall be the fee prescribed for issuing a duplicate registration certificate under section 1547.54 of the Revised Code, and the chief shall not refund to the livery owner all or any portion of an annual registration fee applicable to a watercraft transferred or abandoned by the livery owner. If the size of the fleet increases, the livery owner shall be required to pay the applicable annual registration fee for each watercraft registered under an amended certificate of livery registration that is in excess of the number of watercraft contained in the annual certificate of livery registration.

In addition to the fees established in this section, watercraft that are not powercraft shall be charged a waterways conservation assessment fee. The fee shall be collected at the time of the issuance of an annual livery registration under this section and shall be one dollar and fifty cents for each watercraft included in the registration. The fee shall be deposited in the state treasury and credited to a distinct account in the waterways safety fund created in section 1547.75 of the Revised Code.

The certificate of livery registration, rental receipts, and required safety equipment are subject to inspection at any time at the livery's place of business by any authorized representative of the division of watercraft or any law enforcement officer in accordance with section 1547.63 of the Revised Code.

Except as provided in this section, all watercraft registered under this section are subject to this chapter and Chapter 1548. of the Revised Code.

The chief may issue an order temporarily or permanently restricting or suspending a livery certificate of registration and the privileges associated with it without a hearing if the chief finds that the holder of the certificate has violated this chapter.

Sec. 1547.73. There is hereby created in the division of watercraft ~~,~~ a waterways safety council composed of five members appointed by the governor with the advice and consent of the senate. Not more than three of such appointees shall belong to the same political party. Terms of office shall be for five years, commencing on the first day of February and ending on the thirty-first day of January ~~, except that upon expiration of the term ending February 4, 1973, the new term which succeeds it shall commence on February 5, 1973 and end on January 31, 1978; upon expiration of the term ending February 3, 1974, the new term which succeeds it shall commence on February 4, 1974 and end on January 31, 1979; upon expiration of the term ending February 2, 1975, the new term which succeeds it shall commence on February 3, 1975 and end on January 31, 1980; and upon expiration of the term ending February 6, 1977, the new term which succeeds it shall commence on February 7, 1977 and end on January 31, 1982~~. Each member shall hold office from the date of ~~his~~ appointment until the end of the term for which ~~he~~ the member was appointed. The chief of the division of watercraft shall act as secretary of the council. In the event of the death, removal, resignation, or incapacity of a member of the council , the governor, with the advice and consent of the senate, shall appoint a successor to fill the unexpired term who shall hold office for the

remainder of the term for which ~~his~~ the member's predecessor was appointed. Any member shall continue in office subsequent to the expiration date of ~~his~~ the member's term until ~~his~~ the member's successor takes office, or until a period of sixty days has elapsed, whichever occurs first. The governor may remove any appointed member of the council for misfeasance, nonfeasance, or malfeasance in office.

The council may:

(A) Advise with and recommend to the chief as to plans and ~~program~~ programs for the construction, maintenance, repair, and operation of refuge harbors and other projects for the harboring, mooring, docking, and storing of light draft vessels as provided in sections 1547.71, 1547.72, and 1547.78 of the Revised Code;

(B) Advise with and recommend to the chief as to the methods of coordinating the shore erosion projects of the department of natural resources with the refuge of light draft vessel harbor projects;

(C) Advise with and recommend to the chief as to plans and programs for the acquisition, protection, construction, maintenance, and administration of wild river areas, scenic river areas, and recreational river areas;

(D) Consider and make recommendations upon any matter which is brought to its attention by any person or ~~which~~ that the chief may submit to it;

~~(D)~~ (E) Submit to the governor biennially recommendations for amendments to the laws of the state relative to refuge and light draft vessel harbor projects.

Before entering upon the discharge of ~~his~~ official duties, each member of the council shall take and subscribe to an oath of office, which oath, in writing, shall be filed in the office of the secretary of state.

The members of the council shall serve without compensation , but shall be entitled to receive their actual and necessary expenses incurred in the performance of their official duties from the waterways safety fund as provided in section 1547.75 of the Revised Code.

The council shall, by a majority vote of all its members, adopt and amend bylaws.

To be eligible for appointment as a member of the council, a person shall be a citizen of the United States ~~,~~ and an elector of the state ~~,~~ and possess a knowledge of and have an interest in small boat operations.

The council shall hold at least four regular quarterly meetings each year. Special meetings shall be held at such times as the bylaws of the council provide, or at the behest of a majority of its members. Notices of all meetings shall be given in such manner as the bylaws provide. The council shall choose annually from among its members a ~~chairman~~ chairperson to preside over its meetings. A majority of the members of the council shall constitute a quorum. No advice

shall be given or recommendation made without a majority of the members of the council concurring therein.

Sec. ~~1517.14~~ 1547.81. ~~As used in sections 1517.14 to 1517.18 of the Revised Code, "watercourse" means a substantially natural channel with recognized banks and bottom, in which a flow of water occurs, with an average of at least ten feet mean surface water width and at least five miles of length.~~ The director of natural resources or the director's representative may create, supervise, operate, protect, and maintain wild, scenic, and recreational river areas ~~under the classifications established in section 1517.15 of the Revised Code~~. In creating wild, scenic, and recreational river areas, the director shall classify each such area as either a wild river area, a scenic river area, or a recreational river area. The director or the director's representative may prepare and maintain a plan for the establishment, development, use, and administration of those areas as a part of the comprehensive state plans for water management and outdoor recreation. The director or the director's representative may cooperate with federal agencies administering any federal program concerning wild, scenic, or recreational river areas.

The director may propose for establishment as a wild, scenic, or recreational river area a part or parts of any watercourse in this state, with adjacent lands, that in the director's judgment possesses water conservation, scenic, fish, wildlife, historic, or outdoor recreation values that should be preserved ~~, using the classifications established in section 1517.15 of the Revised Code~~. The area shall include lands adjacent to the watercourse in sufficient width to preserve, protect, and develop the natural character of the watercourse, but shall not include any lands more than one thousand feet from the normal waterlines of the watercourse unless an additional width is necessary to preserve water conservation, scenic, fish, wildlife, historic, or outdoor recreation values.

The director shall publish the intention to declare an area a wild, scenic, or recreational river area at least once in a newspaper of general circulation in each county, any part of which is within the area, and shall send written notice of the intention to the legislative authority of each county, township, and municipal corporation and to each conservancy district established under Chapter 6101. of the Revised Code, any part of which is within the area, and to the director of transportation, the director of development, the director of administrative services, and the director of environmental protection. The notices shall include a copy of a map and description of the area.

After thirty days from the last date of publication or dispatch of written notice as required in this section, the director shall enter a declaration in the director's journal that the area is a wild river area, scenic river area, or recreational river area. When so entered, the area is a wild, scenic, or recreational river area , as applicable. The director, after thirty days' notice as prescribed in this section and upon the approval of the recreation and resources commission created in section 1501.04 of the Revised Code, may terminate the status of an area as a wild river area, scenic river area, or recreational river area by an entry in the director's journal.

Declaration by the director that an area is a wild, scenic, or recreational river area does not authorize the director or any governmental agency or political subdivision to restrict the use of land by the owner thereof or any person acting under the landowner's authority or to enter upon the land and does not expand or abridge the regulatory authority of any governmental agency or political subdivision over the area.

The director may enter into a lease or other agreement with a political subdivision to administer all or part of a wild, scenic, or recreational river area and may acquire real property or any estate, right, or interest therein in order to provide for the protection and public recreational use of a wild, scenic, or recreational river area.

The chief of the division of ~~natural areas and preserves~~ watercraft or the chief's representative may participate in watershed-wide planning with federal, state, and local agencies in order to protect the values of wild, scenic, and recreational river areas.

Sec. ~~1517.16~~ 1547.82. No state department, state agency, or political subdivision shall build or enlarge any highway, road, or structure or modify or cause the modification of the channel of any watercourse within a wild, scenic, or recreational river area outside the limits of a municipal corporation without first having obtained approval of the plans for the highway, road, or structure or channel modification from the director of natural resources or ~~his~~ the director's representative. The court of common pleas having jurisdiction, upon petition by the director, shall enjoin work on any highway, road, or structure or channel modification for which such approval has not been obtained.

Sec. ~~1517.17~~ 1547.83. The chief of the division of ~~natural areas and preserves~~ watercraft shall administer the state programs for wild river areas, scenic river areas, and recreational river areas. The chief may accept and administer state and federal financial assistance ~~programs~~ for the maintenance, protection, and administration of wild, scenic, and recreational river areas and for construction of facilities within those areas. The chief, with the approval of the director of natural resources, may expend for the purpose of administering the state programs for wild, scenic, and recreational river areas money that is appropriated by the general assembly for that purpose, money that is in the scenic rivers protection fund created in section 4501.24 of the Revised Code, and money that is in the waterways safety fund created in section 1547.75 of the Revised Code, including money generated by the waterways conservation assessment fee levied by sections 1547.54 and 1547.542 of the Revised Code, as determined to be necessary by the division of watercraft not to exceed six hundred fifty thousand dollars per fiscal year. The chief may condition any expenditures, maintenance activities, or construction of facilities on the adoption and enforcement of adequate floodplain zoning or land use rules.

~~The director of natural resources may make a lease or agreement with a political subdivision to administer all or part of a wild, scenic, or recreational river area.~~

~~The director may acquire real property or any estate, right, or interest therein for protection and public recreational use as a wild, scenic, or recreational river area.~~

~~The chief may expend funds for the acquisition, protection, construction, maintenance, and administration of real property and public use facilities in wild, scenic, or recreational river areas when the funds are so appropriated by the general assembly. The chief may condition such expenditures, acquisition of land or easements, or construction of facilities within a wild, scenic, or recreational river area upon adoption and enforcement of adequate floodplain zoning rules.~~

Any instrument by which real property is acquired pursuant to this section shall identify the agency of the state that has the use and benefit of the real property as specified in section 5301.012 of the Revised Code.

The chief may cooperate with federal agencies administering any federal program concerning wild, scenic, or recreational river areas.

Sec. ~~1517.18~~ 1547.84. The director of natural resources shall appoint an advisory council for each wild, scenic, or recreational river area, composed of not more than ten persons who are representative of local government and local organizations and interests in the vicinity of the wild, scenic, or recreational river area, who shall serve without compensation. The chief of the division of ~~natural areas and preserves~~ watercraft or ~~his~~ the chief's representative shall serve as an ex officio member of each council.

~~The terms of all members serving on any advisory council under this section on the effective date of this amendment shall end on January 31, 1995. The director shall appoint new members to serve on each council for terms beginning on February 1, 1995, provided that a member serving on a council on the effective date of this amendment may be appointed to such a new term.~~ The initial members appointed to each council shall serve for terms of not more than three years, with the terms of not more than four members of any council ending in the same year. Thereafter, terms of office shall be for three years commencing on the first day of February and ending on the last day of January.

Each council shall advise the chief on the acquisition of land and easements and on the lands and waters that should be included in a wild, scenic, or recreational river area or a proposed wild, scenic, or recreational river area, facilities therein, and other aspects of establishment and administration of the area that may affect the local interest.

Sec. 1547.85. The director of natural resources may participate in the federal program for the protection of certain selected rivers that are located within the boundaries of the state as provided in the "Wild and Scenic Rivers Act," 82 Stat. 906 (1968), 16 U.S.C. 1271 et seq., as amended. The director may authorize the chief of the division of watercraft to participate in any other federal program established for the purpose of protecting, conserving, or developing recreational access to waters in this state that possess outstanding scenic,

recreational, geologic, fish and wildlife, historic, cultural, or other similar values.

Sec. 1547.86. Any action taken by the chief of the division of watercraft under sections 1547.81 to 1547.87 of the Revised Code shall not be deemed in conflict with certain powers and duties conferred on and delegated to federal agencies and to municipal corporations under Section 7 of Article XVIII, Ohio Constitution, or as provided by sections 721.04 to 721.11 of the Revised Code.

Sec. 1547.87. The division of watercraft, in carrying out sections 1547.81 to 1547.87 of the Revised Code, may accept, receive, and expend gifts, devises, or bequests of money, lands, or other properties under the terms established in section 9.20 of the Revised Code.

Sec. 1547.99. (A) Whoever violates section 1547.91 of the Revised Code is guilty of a felony of the fourth degree.

(B) Whoever violates division (F) of section 1547.08, section 1547.10, division (I) of section 1547.111, section 1547.13, or section 1547.66 of the Revised Code is guilty of a misdemeanor of the first degree.

(C) Whoever violates a provision of this chapter or a rule adopted thereunder, for which no penalty is otherwise provided, is guilty of a minor misdemeanor.

(D) Whoever violates section 1547.07, 1547.132, or 1547.12 of the Revised Code without causing injury to persons or damage to property is guilty of a misdemeanor of the fourth degree.

(E) Whoever violates section 1547.07, 1547.132, or 1547.12 of the Revised Code causing injury to persons or damage to property is guilty of a misdemeanor of the third degree.

(F) Whoever violates division ~~(M)~~ (N) of section 1547.54, division (G) of section 1547.30, or section 1547.131, 1547.25, 1547.33, 1547.38, 1547.39, 1547.40, 1547.65, 1547.69, or 1547.92 of the Revised Code or a rule adopted under division (A)(2) of section 1547.52 of the Revised Code is guilty of a misdemeanor of the fourth degree.

(G) Whoever violates section 1547.11 of the Revised Code is guilty of a misdemeanor of the first degree and shall be punished as provided in division (G)(1), (2), or (3) of this section.

(1) Except as otherwise provided in division (G)(2) or (3) of this section, the court shall sentence the offender to a jail term of three consecutive days and may sentence the offender pursuant to section 2929.24 of the Revised Code to a longer jail term. In addition, the court shall impose upon the offender a fine of not less than one hundred fifty nor more than one thousand dollars.

The court may suspend the execution of the mandatory jail term of three consecutive days that it is required to impose by division (G)(1) of this section if the court, in lieu of the suspended jail term, places the offender under a community control sanction pursuant to section 2929.25 of the Revised Code

and requires the offender to attend, for three consecutive days, a drivers' intervention program that is certified pursuant to section 3793.10 of the Revised Code. The court also may suspend the execution of any part of the mandatory jail term of three consecutive days that it is required to impose by division (G)(1) of this section if the court places the offender under a community control sanction pursuant to section 2929.25 of the Revised Code for part of the three consecutive days; requires the offender to attend, for that part of the three consecutive days, a drivers' intervention program that is certified pursuant to section 3793.10 of the Revised Code; and sentences the offender to a jail term equal to the remainder of the three consecutive days that the offender does not spend attending the drivers' intervention program. The court may require the offender, as a condition of community control, to attend and satisfactorily complete any treatment or education programs, in addition to the required attendance at a drivers' intervention program, that the operators of the drivers' intervention program determine that the offender should attend and to report periodically to the court on the offender's progress in the programs. The court also may impose any other conditions of community control on the offender that it considers necessary.

(2) If, within six years of the offense, the offender has been convicted of or pleaded guilty to one violation of section 1547.11 of the Revised Code or one other equivalent offense, the court shall sentence the offender to a jail term of ten consecutive days and may sentence the offender pursuant to section 2929.24 of the Revised Code to a longer jail term. In addition, the court shall impose upon the offender a fine of not less than one hundred fifty nor more than one thousand dollars.

In addition to any other sentence that it imposes upon the offender, the court may require the offender to attend a drivers' intervention program that is certified pursuant to section 3793.10 of the Revised Code.

(3) If, within six years of the offense, the offender has been convicted of or pleaded guilty to more than one violation or offense identified in division (G)(2) of this section, the court shall sentence the offender to a jail term of thirty consecutive days and may sentence the offender to a longer jail term of not more than one year. In addition, the court shall impose upon the offender a fine of not less than one hundred fifty nor more than one thousand dollars.

In addition to any other sentence that it imposes upon the offender, the court may require the offender to attend a drivers' intervention program that is certified pursuant to section 3793.10 of the Revised Code.

(4) Upon a showing that serving a jail term would seriously affect the ability of an offender sentenced pursuant to division (G)(1), (2), or (3) of this section to continue the offender's employment, the court may authorize that the offender be granted work release after the offender has served the mandatory jail term of three, ten, or thirty consecutive days that the court is required by division (G)(1), (2), or (3) of this section to impose. No court shall authorize work release during the mandatory jail term of three, ten, or thirty consecutive days that the

court is required by division (G)(1), (2), or (3) of this section to impose. The duration of the work release shall not exceed the time necessary each day for the offender to commute to and from the place of employment and the place in which the jail term is served and the time actually spent under employment.

(5) Notwithstanding any section of the Revised Code that authorizes the suspension of the imposition or execution of a sentence or the placement of an offender in any treatment program in lieu of being imprisoned or serving a jail term, no court shall suspend the mandatory jail term of ten or thirty consecutive days required to be imposed by division (G)(2) or (3) of this section or place an offender who is sentenced pursuant to division (G)(2) or (3) of this section in any treatment program in lieu of being imprisoned or serving a jail term until after the offender has served the mandatory jail term of ten or thirty consecutive days required to be imposed pursuant to division (G)(2) or (3) of this section. Notwithstanding any section of the Revised Code that authorizes the suspension of the imposition or execution of a sentence or the placement of an offender in any treatment program in lieu of being imprisoned or serving a jail term, no court, except as specifically authorized by division (G)(1) of this section, shall suspend the mandatory jail term of three consecutive days required to be imposed by division (G)(1) of this section or place an offender who is sentenced pursuant to division (G)(1) of this section in any treatment program in lieu of imprisonment until after the offender has served the mandatory jail term of three consecutive days required to be imposed pursuant to division (G)(1) of this section.

(6) As used in division (G) of this section:

(a) "Equivalent offense" has the same meaning as in section 4511.181 of the Revised Code.

(b) "Jail term" and "mandatory jail term" have the same meanings as in section 2929.01 of the Revised Code.

(H) Whoever violates section 1547.304 of the Revised Code is guilty of a misdemeanor of the fourth degree and also shall be assessed any costs incurred by the state or a county, township, municipal corporation, or other political subdivision in disposing of an abandoned junk vessel or outboard motor, less any money accruing to the state, county, township, municipal corporation, or other political subdivision from that disposal.

(I) Whoever violates division (B) or (C) of section 1547.49 of the Revised Code is guilty of a minor misdemeanor.

(J) Whoever violates section 1547.31 of the Revised Code is guilty of a misdemeanor of the fourth degree on a first offense. On each subsequent offense, the person is guilty of a misdemeanor of the third degree.

(K) Whoever violates section 1547.05 or 1547.051 of the Revised Code is guilty of a misdemeanor of the fourth degree if the violation is not related to a collision, injury to a person, or damage to property and a misdemeanor of the

third degree if the violation is related to a collision, injury to a person, or damage to property.

(L) The sentencing court, in addition to the penalty provided under this section for a violation of this chapter or a rule adopted under it that involves a powercraft powered by more than ten horsepower and that, in the opinion of the court, involves a threat to the safety of persons or property, shall order the offender to complete successfully a boating course approved by the national association of state boating law administrators before the offender is allowed to operate a powercraft powered by more than ten horsepower on the waters in this state. Violation of a court order entered under this division is punishable as contempt under Chapter 2705. of the Revised Code."

Between lines 50660 and 50661, insert:

"**Sec. 3714.03.** (A) As used in this section:

(1) "Aquifer system" means one or more geologic units or formations that are wholly or partially saturated with water and are capable of storing, transmitting, and yielding significant amounts of water to wells or springs.

(2) "Category 3 wetland" means a wetland that supports superior habitat or hydrological or recreational functions as determined by an appropriate wetland evaluation methodology acceptable to the director of environmental protection. "Category 3 wetland" includes a wetland with high levels of diversity, a high proportion of native species, and high functional values and includes, but is not limited to, a wetland that contains or provides habitat for threatened or endangered species. "Category 3 wetland" may include high quality forested wetlands, including old growth forested wetlands, mature forested riparian wetlands, vernal pools, bogs, fens, and wetlands that are scarce regionally.

(3) "Natural area" means either of the following:

(a) An area designated by the director of natural resources as a wild, scenic, or recreational river under section ~~1517.14~~ 1547.81 of the Revised Code;

(b) An area designated by the United States department of the interior as a national wild, scenic, or recreational river.

(4) "Occupied dwelling" means a residential dwelling and also includes a place of worship as defined in section 5104.01 of the Revised Code, a child day-care center as defined in that section, a hospital as defined in section 3727.01 of the Revised Code, a nursing home as defined in that section, a school, and a restaurant or other eating establishment. "Occupied dwelling" does not include a dwelling owned or controlled by the owner or operator of a construction and demolition debris facility to which the siting criteria established under this section are being applied.

(5) "Residential dwelling" means a building used or intended to be used in whole or in part as a personal residence by the owner, part-time owner, or

lessee of the building or any person authorized by the owner, part-time owner, or lessee to use the building as a personal residence.

(B) Neither the director of environmental protection nor any board of health shall issue a permit to install under section 3714.051 of the Revised Code to establish a new construction and demolition debris facility when any portion of the facility is proposed to be located in either of the following locations:

(1) Within the boundaries of a one-hundred-year flood plain, as those boundaries are shown on the applicable maps prepared under the "National Flood Insurance Act of 1968," 82 Stat. 572, 42 U.S.C.A. 4001, as amended, unless the owner or operator has obtained an exemption from division (B)(1) of this section in accordance with section 3714.04 of the Revised Code. If no such maps have been prepared, the boundaries of a one-hundred-year flood plain shall be determined by the applicant for a permit based upon standard methodologies set forth in "urban hydrology for small watersheds" (soil conservation service technical release number 55) and section 4 of the "national engineering hydrology handbook" of the soil conservation service of the United States department of agriculture.

(2) Within the boundaries of a sole source aquifer designated by the administrator of the United States environmental protection agency under the "Safe Drinking Water Act," 88 Stat. 1660 (1974), 42 U.S.C.A. 300f, as amended.

(C) Neither the director nor any board shall issue a permit to install under section 3714.051 of the Revised Code to establish a new construction and demolition debris facility when the horizontal limits of construction and demolition debris placement at the new facility are proposed to be located in any of the following locations:

(1) Within one hundred feet of a perennial stream as defined by the United States geological survey seven and one-half minute quadrangle map or a category 3 wetland;

(2) Within one hundred feet of the facility's property line;

(3)(a) Except as provided in division (C)(3)(b) of this section, within five hundred feet of a residential or public water supply well.

(b) Division (C)(3)(a) of this section does not apply to a residential well under any of the circumstances specified in divisions (C)(3)(b)(i) to (iii) of this section as follows:

(i) The well is controlled by the owner or operator of the construction and demolition debris facility.

(ii) The well is hydrologically separated from the horizontal limits of construction and demolition debris placement.

(iii) The well is at least three hundred feet upgradient from the horizontal limits of construction and demolition debris placement and division (D) of this section does not prohibit the issuance of the permit to install.

(4) Within five hundred feet of a park created or operated pursuant to section 301.26, 511.18, 755.08, 1545.04, or 1545.041 of the Revised Code, a state park established or dedicated under Chapter 1541. of the Revised Code, a state park purchase area established under section 1541.02 of the Revised Code, a national recreation area, any unit of the national park system, or any property that lies within the boundaries of a national park or recreation area, but that has not been acquired or is not administered by the secretary of the United States department of the interior, located in this state, or any area located in this state that is recommended by the secretary for study for potential inclusion in the national park system in accordance with "The Act of August 18, 1970," 84 Stat. 825, 16 U.S.C.A. 1a-5, as amended;

(5) Within five hundred feet of a natural area, any area established by the department of natural resources as a state wildlife area under Chapter 1531. of the Revised Code and rules adopted under it, any area that is formally dedicated as a nature preserve under section 1517.05 of the Revised Code, or any area designated by the United States department of the interior as a national wildlife refuge;

(6) Within five hundred feet of a lake or reservoir of one acre or more that is hydrogeologically connected to ground water. For purposes of division (C)(6) of this section, a lake or reservoir does not include a body of water constructed and used for purposes of surface water drainage or sediment control.

(7) Within five hundred feet of a state forest purchased or otherwise acquired under Chapter 1503. of the Revised Code;

(8) Within five hundred feet of land that is placed on the state registry of historic landmarks under section 149.55 of the Revised Code;

(9) Within five hundred feet of an occupied dwelling unless written permission is given by the owner of the dwelling.

(D) Neither the director nor any board shall issue a permit to install under section 3714.051 of the Revised Code to establish a new construction and demolition debris facility when the limits of construction and demolition debris placement at the new facility are proposed to have an isolation distance of less than five feet from the uppermost aquifer system that consists of material that has a maximum hydraulic conductivity of 1×10^{-5} cm/sec and all of the geologic material comprising the isolation distance has a hydraulic conductivity equivalent to or less than 1×10^{-6} cm/sec.

(E) Neither the director nor any board shall issue a permit to install under section 3714.051 of the Revised Code to establish a new construction and demolition debris facility when the road that is designated by the owner or operator as the main hauling road at the facility to and from the limits of construction and demolition debris placement is proposed to be located within five hundred feet of an occupied dwelling unless written permission is given by the owner of the occupied dwelling.

(F) Neither the director nor any board shall issue a permit to install under section 3714.051 of the Revised Code to establish a new construction and demolition debris facility unless the new facility will have all of the following:

(1) Access roads that shall be constructed in a manner that allows use in all weather conditions and will withstand the anticipated degree of use and minimize erosion and generation of dust;

(2) Surface water drainage and sediment controls that are required by the director;

(3) If the facility is proposed to be located in an area in which an applicable zoning resolution allows residential construction, vegetated earthen berms or an equivalent barrier with a minimum height of six feet separating the facility from adjoining property.

(G)(1) The siting criteria established in this section shall be applied to an application for a permit to install at the time that the application is submitted to the director or a board of health, as applicable. Circumstances related to the siting criteria that change after the application is submitted shall not be considered in approving or disapproving the application.

(2) The siting criteria established in this section by this amendment do not apply to an expansion of a construction and demolition debris facility that was in operation prior to ~~the effective date of this amendment~~ December 22, 2005, onto property within the property boundaries identified in the application for the initial license for that facility or any subsequent license issued for that facility up to and including the license issued for that facility for calendar year 2005. The siting criteria established in this section prior to ~~the effective date of this amendment~~ December 22, 2005, apply to such an expansion."

Between lines 62481 and 62482, insert:

"**Sec. 4501.24.** There is hereby created in the state treasury the scenic rivers protection fund. The fund shall consist of the contributions not to exceed forty dollars that are paid to the registrar of motor vehicles by applicants who voluntarily choose to obtain scenic rivers license plates pursuant to section 4503.56 of the Revised Code.

The contributions deposited in the fund shall be used by the department of natural resources to help finance wild, scenic , and recreational river areas conservation , education, ~~scenic river~~ corridor protection ~~and~~ , restoration, ~~scenic river~~ and habitat enhancement ~~,~~ and clean-up projects along ~~scenic~~ rivers in those areas. The chief of the division of watercraft in the department may expend money in the fund for the acquisition of wild, scenic, and recreational river areas, for the maintenance, protection, and administration of such areas, and for construction of facilities within those areas. All investment earnings of the fund shall be credited to the fund.

As used in this section, "wild river areas," "scenic river areas," and "recreational river areas" have the same meanings as in section 1547.01 of the

Revised Code."

In line 90817, after "504.21," insert "505.82,"

In line 90826, after "1514.08," insert "1514.10,"

In line 90827, after "1515.183," insert "1517.02, 1517.10, 1517.11, 1517.14, 1517.16, 1517.17, 1517.18,"

In line 90834, after "1541.03," insert "1547.01, 1547.51, 1547.52, 1547.531, 1547.54, 1547.542, 1547.73, 1547.99,"

In line 90863, after "3714.02," insert "3714.03,"

In line 90879, after "4501.06," insert "4501.24,"

In line 90943, after "1504.04," insert "1517.15,"

In line 99696, delete "$19,784,181 $19,784,181" and insert "$19,949,181 $19,949,181"

In line 99698, add $165,000 to each fiscal year

In line 99708, add $165,000 to each fiscal year

Between lines 99814 and 99815, insert:

"SCENIC RIVERS PROGRAM

On July 1 of each fiscal year or as soon as possible thereafter, the Director of Budget and Management shall transfer $500,000 cash from the Waterways Safety Fund (Fund 7086) to the Scenic Rivers Protection Fund (Fund 4U60) for use by the Division of Watercraft in administering the Wild, Scenic, and Recreational Rivers Program pursuant to Chapter 1547. of the Revised Code. The amount transferred is hereby appropriated in appropriation item 725668, Scenic Rivers Protection."

Between lines 105442 and 105443, insert:

"**Section 715.___.** A wild, scenic, or recreational river area that was declared as such by the Director of Natural Resources under Chapter 1517. of the Revised Code prior to the effective date of this section shall retain its declaration as a wild, scenic, or recreational river area for purposes of sections 1547.81 to 1547.87 of the Revised Code, as amended or enacted by this act. In addition, an advisory council for a wild, scenic, or recreational river area that was appointed by the Director under Chapter 1517. of the Revised Code prior to the effective date of this section shall continue to be the advisory council for the applicable wild, scenic, or recreational river area for purposes of sections 1547.81 to 1547.87 of the Revised Code, as amended or enacted by this act."

In line 106523, after "504.21," insert "505.82,"

In line 106531, after "1514.08," insert "1514.10,"

In line 106532, after "1515.183," insert "1517.02, 1517.10, 1517.11,

1517.14 (1547.81), 1517.15, 1517.16 (1547.82), 1517.17 (1547.83), 1517.18 (1547.84),"

In line 106538, after "1541.03," insert "1547.01, 1547.02, 1547.51, 1547.52, 1547.531, 1547.54, 1547.542, 1547.73, 1547.85, 1547.86, 1547.87, 1547.99,"

In line 106543, after "3712.03," insert "3714.03,"

In line 106544, after "4117.24," insert "4501.24,"

Between lines 106630 and 106631, insert:

"Section 1547.99 of the Revised Code as amended by Am. Sub. S.B. 17 and Am. Sub. S.B. 271, both of the 127th General Assembly."

In line 30 of the title, after "504.21," insert "505.82,"

In line 42 of the title, after "1514.08," insert "1514.10,"

In line 43 of the title, after "1515.183," insert "1517.02, 1517.10, 1517.11, 1517.14, 1517.16, 1517.17, 1517.18,"

In line 53 of the title, after "1541.03," insert "1547.01, 1547.51, 1547.52, 1547.531, 1547.54, 1547.542, 1547.73, 1547.99,"

In line 93 of the title, after "3714.02," insert "3714.03,"

In line 115 of the title, after "4501.06," insert "4501.24,"

In line 176 of the title, after the first comma insert "1517.14 (1547.81), 1517.16 (1547.82), 1517.17 (1547.83), 1517.18 (1547.84),"

In line 194 of the title, after "1545.073," insert "1547.02, 1547.85, 1547.86, 1547.87,"

In line 233 of the title, after "1504.04," insert "1517.15,"

In line 346, delete "3318.37,"

Delete lines 41139 through 41227

In line 90848, delete "3318.37,"

In line 101825, delete "years" and insert "year"; delete "through 2012"

In line 101826, delete "one or more projects" and insert "a project"

In line 72 of the title, delete "3318.37,"

In line 75689, after the underlined period delete the balance of the line

Delete lines 75690 through 75700

In line 75704, after " objectives" delete the balance of the line

Delete line 75705

In line 75706, delete " division (A) of this section"

In line 75710, after the underlined period insert " The department shall submit a copy of each report to the governor and, in accordance with section 101.68 of the Revised Code, the general assembly."; after " report" insert " also"

In line 322, delete "1505.07,"

In line 331, delete "1531.06,"

In line 360, delete "3706.01,"

In line 435, delete "1501.50, 1501.51,"

In line 445, delete "3745.50,"

In line 8786, after "(17)" reinsert the balance of the line

Reinsert lines 8787 through 8793

In line 8794, reinsert "(18)"

Delete lines 22856 through 22959

Delete lines 22982 through 23008

Delete lines 26261 through 26389

Delete lines 49914 through 50143

Delete lines 57458 through 57468

In line 90824, delete "1505.07,"

In line 90833, delete "1531.06,"

In line 90862, delete "3706.01,"

In line 90950, after "4753.101," insert "and"; delete ", 5119.40, 5120.12, and 5123.23"

Delete lines 105398 through 105442

In line 40 of the title, delete "1505.07,"

In line 52 of the title, delete "1531.06,"

In line 92 of the title, delete "3706.01,"

In line 194 of the title, delete "1501.50, 1501.51,"

In line 205 of the title, delete "3745.50,"

In line 243 of the title, after "4753.101," insert "and"; delete ", 5119.40, 5120.12, and"

In line 244 of the title, delete "5123.23"

In line 98010, delete "STUDY OF" and insert "REPORT ON"

Delete lines 98011 through 98033 and insert:

"If the Department of Job and Family Services conducts a study on the issue of funding the Medicaid program through franchise permit fees on providers of health-care services, the Department shall submit a copy of a report regarding the study to the General Assembly in accordance with section 101.68 of the Revised Code."

In line 5455, after " superintendent" insert " , or in the absence of both the superintendent and an available deputy superintendent, the director of commerce,"

In line 375, delete "4115.04,"

Delete lines 60898 through 60960

In line 90877, delete "4115.04,"

Delete lines 106643 and 106644

In line 113 of the title, delete "4115.04,"

In line 442, delete "3333.91,"

Delete lines 44792 through 44909

In line 106542, delete "3333.91,"

In line 202 of the title, delete "3333.91,"

In line 450, delete "5111.035,"

Delete lines 75371 through 75384

In line 212 of the title, delete "5111.035,"

In line 359, after "3702.94," insert "3704.03,"

In line 370, after "3737.71," insert "3745.05,"

Between lines 49639 and 49640, insert:

"**Sec. 3704.03.** The director of environmental protection may do any of the following:

(A) Develop programs for the prevention, control, and abatement of air pollution;

(B) Advise, consult, contract, and cooperate with any governmental or private agency in the furtherance of the purposes of this chapter;

(C) Encourage, participate in, or conduct studies, investigations, and research relating to air pollution, collect and disseminate information, and conduct education and training programs relating to the causes, prevention, control, and abatement of air pollution;

(D) Adopt, modify, and rescind rules prescribing ambient air quality standards for the state as a whole or for various areas of the state that are consistent with and no more stringent than the national ambient air quality

standards in effect under the federal Clean Air Act;

(E) Adopt, modify, suspend, and rescind rules for the prevention, control, and abatement of air pollution, including rules prescribing for the state as a whole or for various areas of the state emission standards for air contaminants, and other necessary rules for the purpose of achieving and maintaining compliance with ambient air quality standards in all areas within the state as expeditiously as practicable, but not later than any deadlines applicable under the federal Clean Air Act; rules for the prevention or control of the emission of hazardous or toxic air contaminants; rules prescribing fugitive dust limitations and standards that are related, on an areawide basis, to attainment and maintenance of ambient air quality standards; rules prescribing shade, density, or opacity limitations and standards for emissions, provided that with regard to air contaminant sources for which there are particulate matter emission standards in addition to a shade, density, or opacity rule, upon demonstration by such a source of compliance with those other standards, the shade, density, or opacity rule shall provide for establishment of a shade, density, or opacity limitation for that source that does not require the source to reduce emissions below the level specified by those other standards; rules for the prevention or control of odors and air pollution nuisances; rules that prevent significant deterioration of air quality to the extent required by the federal Clean Air Act; rules for the protection of visibility as required by the federal Clean Air Act; and rules prescribing open burning limitations and standards. In adopting, modifying, suspending, or rescinding any such rules, the director, to the extent consistent with the federal Clean Air Act, shall hear and give consideration to evidence relating to all of the following:

(1) Conditions calculated to result from compliance with the rules, the overall cost within this state of compliance with the rules, and their relation to benefits to the people of the state to be derived from that compliance;

(2) The quantity and characteristics of air contaminants, the frequency and duration of their presence in the ambient air, and the dispersion and dilution of those contaminants;

(3) Topography, prevailing wind directions and velocities, physical conditions, and other factors that may or may combine to affect air pollution.

Consistent with division (K) of section 3704.036 of the Revised Code, the director shall consider alternative emission limits proposed by the owner or operator of an air contaminant source that is subject to an emission limit established in rules adopted under this division and shall accept those alternative emission limits that the director determines to be equivalent to emission limits established in rules adopted under this division.

(F)(1) Adopt, modify, suspend, and rescind rules consistent with the purposes of this chapter prohibiting the location, installation, construction, or modification of any air contaminant source or any machine, equipment, device, apparatus, or physical facility intended primarily to prevent or control the

emission of air contaminants unless an installation permit therefor has been obtained from the director or the director's authorized representative.

(2) (a) Applications for installation permits shall be accompanied by plans, specifications, construction schedules, and such other pertinent information and data, including data on ambient air quality impact and a demonstration of best available technology, as the director may require. Installation permits shall be issued for a period specified by the director and are transferable. The director shall specify in each permit the applicable emission standards and that the permit is conditioned upon payment of the applicable fees as required by section 3745.11 of the Revised Code and upon the right of the director's authorized representatives to enter upon the premises of the person to whom the permit has been issued, at any reasonable time and subject to safety requirements of the person in control of the premises, for the purpose of determining compliance with such standards, this chapter, the rules adopted thereunder, and the conditions of any permit, variance, or order issued thereunder. Each proposed new or modified air contaminant source shall provide such notice of its proposed installation or modification to other states as is required under the federal Clean Air Act. Installation permits shall include the authorization to operate sources installed and operated in accordance with terms and conditions of the installation permits for a period not to exceed one year from commencement of operation, which authorization shall constitute an operating permit under division (G) of this section and rules adopted under it.

No installation permit shall be required for activities that are subject to and in compliance with a plant-wide applicability limit issued by the director in accordance with rules adopted under this section.

No installation permit shall be issued except in accordance with all requirements of this chapter and rules adopted thereunder. No application shall be denied or permit revoked or modified without a written order stating the findings upon which denial, revocation, or modification is based. A copy of the order shall be sent to the applicant or permit holder by certified mail.

(b) An air contaminant source that is the subject of an installation permit shall be installed or modified in accordance with the permit not later than eighteen months after the permit's effective date at which point the permit shall terminate unless one of the following applies:

(i) The owner or operator has undertaken a continuing program of installation or modification during the eighteen-month period.

(ii) The owner or operator has entered into a binding contractual obligation to undertake and complete within a reasonable period of time a continuing program of installation or modification of the air contaminant source during the eighteen-month period.

(iii) The director has extended the date by which the air contaminant source that is the subject of the installation permit must be installed or modified.

(iv) The installation permit is the subject of an appeal by a party other than the owner or operator of the air contaminant source that is the subject of the installation permit, in which case the date of termination of the permit is not later than eighteen months after the effective date of the permit plus the number of days between the date in which the permit was appealed and the date on which all appeals concerning the permit have been resolved.

(v) The installation permit has been superseded by a subsequent installation permit, in which case the original installation permit terminates on the effective date of the superseding installation permit.

Division (F)(2)(b) of this section applies to an installation permit that has not terminated as of the effective date of this amendment.

The director may adopt rules in accordance with Chapter 119. of the Revised Code for the purpose of establishing additional requirements that are necessary for the implementation of division (F)(2)(b) of this section.

(3) Not later than two years after August 3, 2006, the director shall adopt a rule in accordance with Chapter 119. of the Revised Code specifying that a permit to install is required only for new or modified air contaminant sources that emit any of the following air contaminants:

(a) An air contaminant or precursor of an air contaminant for which a national ambient air quality standard has been adopted under the federal Clean Air Act;

(b) An air contaminant for which the air contaminant source is regulated under the federal Clean Air Act;

(c) An air contaminant that presents, or may present, through inhalation or other routes of exposure, a threat of adverse human health effects, including, but not limited to, substances that are known to be, or may reasonably be anticipated to be, carcinogenic, mutagenic, teratogenic, or neurotoxic, that cause reproductive dysfunction, or that are acutely or chronically toxic, or a threat of adverse environmental effects whether through ambient concentrations, bioaccumulation, deposition, or otherwise, and that is identified in the rule by chemical name and chemical abstract service number.

The director may modify the rule adopted under division (F)(3)(c) of this section for the purpose of adding or deleting air contaminants. For each air contaminant that is contained in or deleted from the rule adopted under division (F)(3)(c) of this section, the director shall include in a notice accompanying any proposed or final rule an explanation of the director's determination that the air contaminant meets the criteria established in that division and should be added to, or no longer meets the criteria and should be deleted from, the list of air contaminants. The explanation shall include an identification of the scientific evidence on which the director relied in making the determination. Until adoption of the rule under division (F)(3)(c) of this section, nothing shall affect the director's authority to issue, deny, modify, or revoke permits to install under

this chapter and rules adopted under it.

(4)(a) Applications for permits to install new or modified air contaminant sources shall contain sufficient information regarding air contaminants for which the director may require a permit to install to determine conformity with the environmental protection agency's document entitled "Review of New Sources of Air Toxics Emissions, Option A," dated May 1986, which the director shall use to evaluate toxic emissions from new or modified air contaminant sources. The director shall make copies of the document available to the public upon request at no cost and post the document on the environmental protection agency's web site. Any inconsistency between the document and division (F)(4) of this section shall be resolved in favor of division (F)(4) of this section.

(b) The maximum acceptable ground level concentration of an air contaminant shall be calculated in accordance with the document entitled "Review of New Sources of Air Toxics Emissions, Option A." Modeling shall be conducted to determine the increase in the ground level concentration of an air contaminant beyond the facility's boundary caused by the emissions from a new or modified source that is the subject of an application for a permit to install. Modeling shall be based on the maximum hourly rate of emissions from the source using information including, but not limited to, any emission control devices or methods, operational restrictions, stack parameters, and emission dispersion devices or methods that may affect ground level concentrations, either individually or in combination. The director shall determine whether the activities for which a permit to install is sought will cause an increase in the ground level concentration of one or more relevant air contaminants beyond the facility's boundary by an amount in excess of the maximum acceptable ground level concentration. In making the determination as to whether the maximum acceptable ground level concentration will be exceeded, the director shall give consideration to the modeling conducted under division (F)(4)(b) of this section and other relevant information submitted by the applicant.

(c) If the modeling conducted under division (F)(4)(b) of this section with respect to an application for a permit to install demonstrates that the maximum ground level concentration from a new or modified source will be greater than or equal to eighty per cent, but less than one hundred per cent of the maximum acceptable ground level concentration for an air contaminant, the director may establish terms and conditions in the permit to install for the air contaminant source that will require the owner or operator of the air contaminant source to maintain emissions of that air contaminant commensurate with the modeled level, which shall be expressed as allowable emissions per day. In order to calculate the allowable emissions per day, the director shall multiply the hourly emission rate modeled under division (F)(4)(b) of this section to determine the ground level concentration by the operating schedule that has been identified in the permit to install application. Terms and conditions imposed under division (F)(4)(c) of this section are not federally enforceable requirements and, if included in a Title V permit, shall be placed in the portion of the permit that is only enforceable by the state.

(d) If the modeling conducted under division (F)(4)(b) of this section with respect to an application for a permit to install demonstrates that the maximum ground level concentration from a new or modified source will be less than eighty per cent of the maximum acceptable ground level concentration, the owner or operator of the source annually shall report to the director, on a form prescribed by the director, whether operations of the source are consistent with the information regarding the operations that was used to conduct the modeling with regard to the permit to install application. The annual report to the director shall be in lieu of an emission limit or other permit terms and conditions imposed pursuant to division (F)(4) of this section. The director may consider any significant departure from the operations of the source described in the permit to install application that results in greater emissions than the emissions rate modeled to determine the ground level concentration as a modification and require the owner or operator to submit a permit to install application for the increased emissions. The requirements established in division (F)(4)(d) of this section are not federally enforceable requirements and, if included in a Title V permit, shall be placed in the portion of the permit that is only enforceable by the state.

(e) Division (F)(4) of this section and the document entitled "Review of New Sources of Air Toxics Emissions, Option A" shall not be included in the state implementation plan under section 110 of the federal Clean Air Act and do not apply to an air contaminant source that is subject to a maximum achievable control technology standard or residual risk standard under section 112 of the federal Clean Air Act, to a particular air contaminant identified under 40 C.F.R. 51.166, division (b)(23), for which the director has determined that the owner or operator of the source is required to install best available control technology for that particular air contaminant, or to a particular air contaminant for which the director has determined that the source is required to meet the lowest achievable emission rate, as defined in 40 C.F.R. part 51, Appendix S, for that particular air contaminant.

(f)(i) Division (F)(4) of this section and the document entitled "Review of New Sources of Air Toxics Emissions, Option A" do not apply to parking lots, storage piles, storage tanks, transfer operations, grain silos, grain dryers, emergency generators, gasoline dispensing operations, air contaminant sources that emit air contaminants solely from the combustion of fossil fuels, or the emission of wood dust, sand, glass dust, coal dust, silica, and grain dust.

(ii) Notwithstanding division (F)(4)(f)(i) of this section, the director may require an individual air contaminant source that is within one of the source categories identified in division (F)(4)(f)(i) of this section to submit information in an application for a permit to install a new or modified source in order to determine the source's conformity to the document if the director has information to conclude that the particular new or modified source will potentially cause an increase in ground level concentration beyond the facility's boundary that exceeds the maximum acceptable ground level concentration as set forth in the document.

(iii) The director may adopt rules in accordance with Chapter 119. of the Revised Code that are consistent with the purposes of this chapter and that add to or delete from the source category exemptions established in division (F)(4)(f)(i) of this section.

(5) Not later than one year after August 3, 2006, the director shall adopt rules in accordance with Chapter 119. of the Revised Code specifying activities that do not, by themselves, constitute beginning actual construction activities related to the installation or modification of an air contaminant source for which a permit to install is required such as the grading and clearing of land, on-site storage of portable parts and equipment, and the construction of foundations or buildings that do not themselves emit air contaminants. The rules also shall allow specified initial activities that are part of the installation or modification of an air contaminant source, such as the installation of electrical and other utilities for the source, prior to issuance of a permit to install, provided that the owner or operator of the source has filed a complete application for a permit to install, the director or the director's designee has determined that the application is complete, and the owner or operator of the source has notified the director that this activity will be undertaken prior to the issuance of a permit to install. Any activity that is undertaken by the source under those rules shall be at the risk of the owner or operator. The rules shall not apply to activities that are precluded prior to permit issuance under section 111, section 112, Part C of Title I, and Part D of Title I of the federal Clean Air Act.

(G) Adopt, modify, suspend, and rescind rules prohibiting the operation or other use of any new, modified, or existing air contaminant source unless an operating permit has been obtained from the director or the director's authorized representative, or the air contaminant source is being operated in compliance with the conditions of a variance issued pursuant to division (H) of this section. Applications for operating permits shall be accompanied by such plans, specifications, and other pertinent information as the director may require. Operating permits may be issued for a period determined by the director not to exceed ten years, are renewable, and are transferable. The director shall specify in each operating permit that the permit is conditioned upon payment of the applicable fees as required by section 3745.11 of the Revised Code and upon the right of the director's authorized representatives to enter upon the premises of the person to whom the permit has been issued, at any reasonable time and subject to safety requirements of the person in control of the premises, for the purpose of determining compliance with this chapter, the rules adopted thereunder, and the conditions of any permit, variance, or order issued thereunder. Operating permits may be denied or revoked for failure to comply with this chapter or the rules adopted thereunder. An operating permit shall be issued only upon a showing satisfactory to the director or the director's representative that the air contaminant source is being operated in compliance with applicable emission standards and other rules or upon submission of a schedule of compliance satisfactory to the director for a source that is not in compliance with all applicable requirements at the time of permit issuance, provided that the compliance schedule shall be

consistent with and at least as stringent as that contained in any judicial consent decree or administrative order to which the air contaminant source is subject. The rules shall provide for the issuance of conditional operating permits for such reasonable periods as the director may determine to allow the holder of an installation permit, who has constructed, installed, located, or modified a new air contaminant source in accordance with the provisions of an installation permit, to make adjustments or modifications necessary to enable the new air contaminant source to comply with applicable emission standards and other rules. Terms and conditions of operating permits issued pursuant to this division shall be federally enforceable for the purpose of establishing the potential to emit of a stationary source and shall be expressly designated as federally enforceable. Any such federally enforceable restrictions on a source's potential to emit shall include both an annual limit and a short-term limit of not more than thirty days for each pollutant to be restricted together with adequate methods for establishing compliance with the restrictions. In other respects, operating permits issued pursuant to this division are enforceable as state law only. No application shall be denied or permit revoked or modified without a written order stating the findings upon which denial, revocation, or modification is based. A copy of the order shall be sent to the applicant or permit holder by certified mail.

(H) Adopt, modify, and rescind rules governing the issuance, revocation, modification, or denial of variances that authorize emissions in excess of the applicable emission standards.

No variance shall be issued except pursuant to those rules. The rules shall prescribe conditions and criteria in furtherance of the purposes of this chapter and consistent with the federal Clean Air Act governing eligibility for issuance of variances, which shall include all of the following:

(1) Provisions requiring consistency of emissions authorized by a variance with timely attainment and maintenance of ambient air quality standards;

(2) Provisions prescribing the classes and categories of air contaminants and air contaminant sources for which variances may be issued;

(3) Provisions defining the circumstances under which an applicant shall demonstrate that compliance with applicable emission standards is technically infeasible, economically unreasonable, or impossible because of conditions beyond the control of the applicant;

(4) Other provisions prescribed in furtherance of the goals of this chapter.

The rules shall prohibit the issuance of variances from any emission limitation that was applicable to a source pursuant to an installation permit and shall prohibit issuance of variances that conflict with the federal Clean Air Act.

Applications for variances shall be accompanied by such information as the director may require. In issuing variances, the director may order the person to whom a variance is issued to furnish plans and specifications and such other

information and data, including interim reports, as the director may require and to proceed to take such action within such time as the director may determine to be appropriate and reasonable to prevent, control, or abate the person's existing emissions of air contaminants. The director shall specify in each variance that the variance is conditioned upon payment of the applicable fees as required by section 3745.11 of the Revised Code and upon the right of the director's authorized representatives to enter upon the premises of the person to whom the variance has been issued, at any reasonable time and subject to safety requirements of the person in control of the premises, for the purpose of determining compliance with this chapter, the rules adopted thereunder, and the conditions of any permit, variance, or order issued thereunder.

The director may hold a public hearing on an application for a variance or renewal thereof at a location in the county where the variance is sought. The director shall give not less than twenty days' notice of the hearing to the applicant by certified mail and cause at least one publication of notice in a newspaper with general circulation in the county where the variance is sought. The director shall keep available for public inspection at the principal office of the environmental protection agency a current schedule of pending applications for variances and a current schedule of pending variance hearings. The director shall make a complete stenographic record of testimony and other evidence submitted at the hearing. The director shall make a written determination to issue, renew, or deny the variance and shall enter the determination and the basis therefor into the record of the hearing. The director shall issue, renew, or deny an application for a variance or renewal thereof, or issue a proposed action upon the application pursuant to section 3745.07 of the Revised Code, within six months of the date upon which the director receives a complete application with all pertinent information and data required by the director.

Any variance granted pursuant to rules adopted under this division shall be for a period specified by the director, not to exceed three years, and may be renewed from time to time on such terms and for such periods, not to exceed three years each, as the director determines to be appropriate. A variance may be revoked, or renewal denied, for failure to comply with conditions specified in the variance. No variance shall be issued, denied, revoked, or modified without a written order stating the findings upon which the issuance, denial, revocation, or modification is based. A copy of the order shall be sent to the applicant or variance holder by certified mail.

(I) Require the owner or operator of an air contaminant source to install, employ, maintain, and operate such emissions, ambient air quality, meteorological, or other monitoring devices or methods as the director shall prescribe; to sample those emissions at such locations, at such intervals, and in such manner as the director prescribes; to maintain records and file periodic reports with the director containing information as to location, size, and height of emission outlets, rate, duration, and composition of emissions, and any other pertinent information the director prescribes; and to provide such written notice to other states as the director shall prescribe. In requiring monitoring devices,

records, and reports, the director, to the extent consistent with the federal Clean Air Act, shall give consideration to technical feasibility and economic reasonableness and allow reasonable time for compliance. For sources where a specific monitoring, record-keeping, or reporting requirement is specified for a particular air contaminant from a particular air contaminant source in an applicable regulation adopted by the United States environmental protection agency under the federal Clean Air Act or in an applicable rule adopted by the director, the director shall not impose an additional requirement in a permit that is a different monitoring, record-keeping, or reporting requirement other than the requirement specified in the applicable regulation or rule for that air contaminant except as otherwise agreed to by the owner or operator of the air contaminant source and the director. If two or more regulations or rules impose different monitoring, record-keeping, or reporting requirements for the same air contaminant from the same air contaminant source, the director may impose permit terms and conditions that consolidate or streamline the monitoring, record-keeping, or reporting requirements in a manner that conforms with each applicable requirement. To the extent consistent with the federal Clean Air Act and except as otherwise agreed to by the owner or operator of an air contaminant source and the director, the director shall not require an operating restriction that has the practical effect of increasing the stringency of an existing applicable emission limitation or standard.

(J) Establish, operate, and maintain monitoring stations and other devices designed to measure air pollution and enter into contracts with any public or private agency for the establishment, operation, or maintenance of such stations and devices;

(K) By rule adopt procedures for giving reasonable public notice and conducting public hearings on any plans for the prevention, control, and abatement of air pollution that the director is required to submit to the federal government;

(L) Through any employee, agent, or authorized representative of the director or the environmental protection agency, enter upon private or public property, including improvements thereon, at any reasonable time, to make inspections, take samples, conduct tests, and examine records or reports pertaining to any emission of air contaminants and any monitoring equipment or methods and to determine if there are any actual or potential emissions from such premises and, if so, to determine the sources, amounts, contents, and extent of those emissions, or to ascertain whether there is compliance with this chapter, any orders issued or rules adopted thereunder, or any other determination of the director. The director, at reasonable times, may have access to and copy any such records. If entry or inspection authorized by this division is refused, hindered, or thwarted, the director or the director's authorized representative may by affidavit apply for, and any judge of a court of record may issue, an appropriate inspection warrant necessary to achieve the purposes of this chapter within the court's territorial jurisdiction.

(M) Accept and administer gifts or grants from the federal government and from any other source, public or private, for carrying out any of the functions under this chapter;

(N) Obtain necessary scientific, technical, and laboratory services;

(O) Establish advisory boards in accordance with section 121.13 of the Revised Code;

(P) Delegate to any city or general health district or political subdivision of the state any of the director's enforcement and monitoring powers and duties, other than rule-making powers, as the director elects to delegate, and in addition employ, compensate, and prescribe the powers and duties of such officers, employees, and consultants as are necessary to enable the director to exercise the authority and perform duties imposed upon the director by law. Technical and other services shall be performed, insofar as practical, by personnel of the environmental protection agency.

(Q) Certify to the government of the United States or any agency thereof that an industrial air pollution facility is in conformity with the state program or requirements for control of air pollution whenever such certificate is required for a taxpayer pursuant to any federal law or requirements;

(R) Issue, modify, or revoke orders requiring abatement of or prohibiting emissions that violate applicable emission standards or other requirements of this chapter and rules adopted thereunder, or requiring emission control devices or measures in order to comply with applicable emission standards or other requirements of this chapter and rules adopted thereunder. Any such order shall require compliance with applicable emission standards by a specified date and shall not conflict with any requirement of the federal Clean Air Act. In the making of such orders, the director, to the extent consistent with the federal Clean Air Act, shall give consideration to, and base the determination on, evidence relating to the technical feasibility and economic reasonableness of compliance with such orders and their relation to benefits to the people of the state to be derived from such compliance. If, under the federal Clean Air Act, any such order shall provide for the posting of a bond or surety to secure compliance with the order as a condition of issuance of the order, the order shall so provide, but only to the extent required by the federal Clean Air Act.

(S) To the extent provided by the federal Clean Air Act, adopt, modify, and rescind rules providing for the administrative assessment and collection of monetary penalties, not in excess of those required pursuant to the federal Clean Air Act, for failure to comply with any emission limitation or standard, compliance schedule, or other requirement of any rule, order, permit, or variance issued or adopted under this chapter or required under the applicable implementation plan whether or not the source is subject to a federal or state consent decree. The director may require the submission of compliance schedules, calculations of penalties for noncompliance, and related information. Any orders, payments, sanctions, or other requirements imposed pursuant to

rules adopted under this division shall be in addition to any other permits, orders, payments, sanctions, or other requirements established under this chapter and shall not affect any civil or criminal enforcement proceedings brought under any provision of this chapter or any other provision of state or local law. This division does not apply to any requirement of this chapter regarding the prevention or abatement of odors.

(T) Require new or modified air contaminant sources to install best available technology, but only in accordance with this division. With respect to permits issued pursuant to division (F) of this section beginning three years after August 3, 2006, best available technology for air contaminant sources and air contaminants emitted by those sources that are subject to standards adopted under section 112, Part C of Title I, and Part D of Title I of the federal Clean Air Act shall be equivalent to and no more stringent than those standards. For an air contaminant or precursor of an air contaminant for which a national ambient air quality standard has been adopted under the federal Clean Air Act, best available technology only shall be required to the extent required by rules adopted under Chapter 119. of the Revised Code for permit to install applications filed three or more years after August 3, 2006.

Best available technology requirements established in rules adopted under this division shall be expressed only in one of the following ways that is most appropriate for the applicable source or source categories:

(1) Work practices;

(2) Source design characteristics or design efficiency of applicable air contaminant control devices;

(3) Raw material specifications or throughput limitations averaged over a twelve-month rolling period;

(4) Monthly allowable emissions averaged over a twelve-month rolling period.

Best available technology requirements shall not apply to an air contaminant source that has the potential to emit, taking into account air pollution controls installed on the source, less than ten tons per year of emissions of an air contaminant or precursor of an air contaminant for which a national ambient air quality standard has been adopted under the federal Clean Air Act. In addition, best available technology requirements established in rules adopted under this division shall not apply to any existing, new, or modified air contaminant source that is subject to a plant-wide applicability limit that has been approved by the director. Further, best available technology requirements established in rules adopted under this division shall not apply to general permits issued prior to January 1, 2006, under rules adopted under this chapter.

For permits to install issued three or more years after August 3, 2006, any new or modified air contaminant source that has the potential to emit, taking into account air pollution controls installed on the source, ten or more tons per year

of volatile organic compounds or nitrogen oxides shall meet, at a minimum, the requirements of any applicable reasonably available control technology rule in effect as of January 1, 2006, regardless of the location of the source.

(U) Consistent with section 507 of the federal Clean Air Act, adopt, modify, suspend, and rescind rules for the establishment of a small business stationary source technical and environmental compliance assistance program as provided in section 3704.18 of the Revised Code;

(V) Provide for emissions trading, marketable permits, auctions of emission rights, and economic incentives that would reduce the cost or increase the efficiency of achieving a specified level of environmental protection;

(W) Provide for the construction of an air contaminant source prior to obtaining a permit to install pursuant to division (F) of this section if the applicant demonstrates that the source will be installed to comply with all applicable emission limits and will not adversely affect public health or safety or the environment and if the director determines that such an action will avoid an unreasonable hardship on the owner or operator of the source. Any such determination shall be consistent with the federal Clean Air Act.

(X) Exercise all incidental powers, including adoption of rules, required to carry out this chapter.

The environmental protection agency shall develop a plan to control air pollution resulting from state-operated facilities and property."

Between lines 56185 and 56186, insert:

"**Sec. 3745.05.** (A) In hearing the appeal, if an adjudication hearing was conducted by the director of environmental protection in accordance with sections 119.09 and 119.10 of the Revised Code or conducted by a board of health, the environmental review appeals commission is confined to the record as certified to it by the director or the board of health, as applicable. The commission may grant a request for the admission of additional evidence when satisfied that such additional evidence is newly discovered and could not with reasonable diligence have been ascertained prior to the hearing before the director or the board, as applicable. If no adjudication hearing was conducted in accordance with sections 119.09 and 119.10 of the Revised Code or conducted by a board of health, the commission shall conduct a hearing de novo on the appeal.

For the purpose of conducting a de novo hearing, or where the commission has granted a request for the admission of additional evidence, the commission may require the attendance of witnesses and the production of written or printed materials.

When conducting a de novo hearing, or when a request for the admission of additional evidence has been granted, the commission may, and at the request of any party it shall, issue subpoenas for witnesses or for books, papers, correspondence, memoranda, agreements, or other documents or records relevant

or material to the inquiry directed to the sheriff of the counties where the witnesses or documents or records are found, which subpoenas shall be served and returned in the same manner as those allowed by the court of common pleas in criminal cases.

(B) The fees of sheriffs shall be the same as those allowed by the court of common pleas in criminal cases. Witnesses shall be paid the fees and mileage provided for under section 119.094 of the Revised Code. The fee and mileage expenses incurred at the request of the appellant shall be paid in advance by the appellant, and the remainder of the expenses shall be paid out of funds appropriated for the expenses of the commission.

(C) In case of disobedience or neglect of any subpoena served on any person, or the refusal of any witness to testify to any matter regarding which the witness may be lawfully interrogated, the court of common pleas of the county in which the disobedience, neglect, or refusal occurs, or any judge thereof, on application of the commission or any member thereof, may compel obedience by attachment proceedings for contempt as in the case of disobedience of the requirements of a subpoena issued from the court or a refusal to testify therein.

(D) A witness at any hearing shall testify under oath or affirmation, which any member of the commission may administer. A witness, if the witness requests, shall be permitted to be accompanied, represented, and advised by an attorney, whose participation in the hearing shall be limited to the protection of the rights of the witness, and who may not examine or cross-examine witnesses. A witness shall be advised of the right to counsel before the witness is interrogated.

(E) A stenographic record of the testimony and other evidence submitted shall be taken by an official court shorthand reporter. The record shall include all of the testimony and other evidence and the rulings on the admissibility thereof presented at the hearing. The commission shall pass upon the admissibility of evidence, but any party may at the time object to the admission of any evidence and except to the rulings of the commission thereon, and if the commission refuses to admit evidence the party offering same may make a proffer thereof, and such proffer shall be made a part of the record of such hearing.

Any party may request the stenographic record of the hearing. Promptly after receiving such a request, the commission shall prepare and provide the stenographic record of the hearing to the party who requested it. The commission may charge a fee to the party who requested the stenographic record that does not exceed the cost to the commission for preparing and transcribing it.

(F) If, upon completion of the hearing, the commission finds that the action appealed from was lawful and reasonable, it shall make a written order affirming the action, or if the commission finds that the action was unreasonable or unlawful, it shall make a written order vacating or modifying the action appealed from. ~~Every~~

The commission shall issue a written order affirming, vacating, or

modifying an action pursuant to the following schedule:

(1) For an appeal that was filed with the commission before April 15, 2008, the commission shall issue a written order not later than December 15, 2009.

(2) For all other appeals that have been filed with the commission as of October 15, 2009, the commission shall issue a written order not later than July 15, 2010.

(3) For an appeal that is filed with the commission after October 15, 2009, the commission shall issue a written order not later than twelve months after the filing of the appeal with the commission.

(G) Every order made by the commission shall contain a written finding by the commission of the facts upon which the order is based. Notice of the making of the order shall be given forthwith to each party to the appeal by mailing a certified copy thereof to each party by certified mail, with a statement of the time and method by which an appeal may be perfected.

(H) The order of the commission is final unless vacated or modified upon judicial review."

In line 90861, after "3702.94," insert "3704.03,"

In line 90872, after "3737.71," insert "3745.05,"

Delete lines 96292 and 96292a

In line 96307, delete "$134,505,201 $134,960,492" and insert "$134,018,201 $134,473,492"

In line 96311, delete "$190,359,657 $188,987,875" and insert "$189,872,657 $188,500,875"

Between lines 96340 and 96341, insert:

"**Section ___.___.** EBR ENVIRONMENTAL REVIEW APPEALS COMMISSION

General Revenue Fund

GRF 172321 Operating Expenses	$ 487,000	$ 487,000
TOTAL GRF General Revenue Fund	$ 487,000	$ 487,000
TOTAL ALL BUDGET FUND GROUPS	$ 487,000	$ 487,000"

In line 91 of the title, after "3702.94," insert "3704.03,"

In line 106 of the title, after "3737.71," insert "3745.05,"

In line 309, after "174.03," insert "174.06,"

In line 16701, after "homeless" insert " and emergency shelter facilities serving unaccompanied youth seventeen years of age and younger"

In line 16769, after "rents" insert " ;

(4) Improving the quality of life of tenants by providing education for tenants and residents of manufactured home communities regarding their rights and responsibilities, planning and implementing activities designed to improve conflict resolution and the capacity of tenants to negotiate and mediate with landlords, and developing tenant and resident councils and organizations;

(5) Promoting capacity building initiatives related to the creation of county housing trust funds"

In line 16770 after "(B)" strike through the balance of the line

Strike through lines 16771 and 16772

In line 16773 strike through "(C)"

In line 16779, strike through "(D)" and insert " (C)"

In line 16788, strike through "(E)" and insert " (D)"

In line 16815, strike through "(F)" and insert " (E)"

In line 16838, strike through "(G)" and insert " (F)"

In line 16845, strike through "(H)" and insert " (G)"

Between lines 16849 and 16850, insert:

"**Sec. 174.06.** (A) There is hereby created the housing trust fund advisory committee. The committee consists of fourteen members the governor appoints as follows to represent organizations committed to housing and housing assistance for low- and moderate-income persons:

(1) One member to represent lenders.

(2) One member to represent for-profit builders and developers.

(3) One member to represent the families and individuals included in the income groups targeted for housing and housing assistance under divisions (E) and (F) ~~and (G)~~ of section 174.03 of the Revised Code.

(4) One member to represent religious, civic, or social service organizations.

(5) One member to represent counties.

(6) One member to represent municipal corporations.

(7) One member to represent townships.

(8) One member to represent local housing authorities.

(9) One member to represent fair housing organizations.

(10) Three members to represent nonprofit organizations.

(11) One member to represent real estate brokers licensed under Chapter 4735. of the Revised Code.

(12) One member to represent the for-profit rental housing industry.

(B)(1) Terms of office are for four 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 from the date of appointment until the end of the term for which the member was appointed. Vacancies shall be filled in the manner prescribed for the original appointment. A member appointed to fill a vacancy occurring prior to the expiration of a term shall hold office for the remainder of that term. A member shall continue in office subsequent to the expiration of a term until a successor takes office or until a period of sixty days has elapsed, whichever occurs first.

(2) The governor may remove a member for misfeasance, malfeasance, or willful neglect of duty.

(C)(1) The committee shall select a chairperson from among its members. The committee shall meet at least once each calendar year and upon the call of the chair. Members of the committee serve without compensation, but shall be reimbursed for reasonable and necessary expenses incurred in the discharge of duties.

(2) The department of development shall provide the committee with a meeting place, supplies, and staff assistance as the committee requests.

(D) The committee shall assist the department and the Ohio housing finance agency in defining housing needs and priorities, recommend to the department and agency at least annually how the programs developed under section 174.02 of the Revised Code should be designed to most effectively benefit low- and moderate-income persons, consider an allocation of funds for projects of fifteen units or less, and advise the director of development on whether and how to reallocate money in the low- and moderate-income housing trust fund under division (B) of section 174.02 of the Revised Code."

In line 90811, after "174.03," insert "174.06,"

In line 22 of the title, after "174.03," insert "174.06,"

Delete lines 98276 through 98292, and insert:

"The foregoing appropriation item 600541, Kinship Permanency Incentive Program, shall be used to support the Kinship Permanency Incentive Program created under section 5101.802 of the Revised Code."

In line 44295, reinsert "2005" and delete " 2009"

In line 44298, reinsert "Fifty" and delete " Seventy-five"

Reinsert line 44330

In line 44331, reinsert "to students enrolled in"; reinsert "nurse education"

In line 44332, reinsert "programs"

In line 44333, after " ~~Code~~" insert " as determined by the chancellor, with preference given to programs aimed at increasing enrollment in an area of need"; reinsert the period

In line 335, after "1907.24," insert "2101.01, 2301.02, 2301.03,"

Between lines 29366 and 29367, insert:

"**Sec. 2101.01.** (A) A probate division of the court of common pleas shall be held at the county seat in each county in an office furnished by the board of county commissioners, in which the books, records, and papers pertaining to the probate division shall be deposited and safely kept by the probate judge. The board shall provide suitable cases or other necessary items for the safekeeping and preservation of the books, records, and papers of the court and shall furnish any blankbooks, blanks, and stationery, and any machines, equipment, and materials for the keeping or examining of records, that the probate judge requires in the discharge of official duties. The board also shall authorize expenditures for accountants, financial consultants, and other agents required for auditing or financial consulting by the probate division whenever the probate judge considers these services and expenditures necessary for the efficient performance of the division's duties. The probate judge shall employ and supervise all clerks, deputies, magistrates, and other employees of the probate division. The probate judge shall supervise all probate court investigators and assessors in the performance of their duties as investigators and assessors and shall employ, appoint, or designate all probate court investigators and assessors in the manner described in divisions (A)(2) and (3) of section 2101.11 of the Revised Code.

(B) As used in the Revised Code:

(1) Except as provided in division (B)(2) of this section, "probate court" means the probate division of the court of common pleas, and "probate judge" means the judge of the court of common pleas who is judge of the probate division.

(2) With respect to Lorain county:

(a) From ~~January 1, 2006, through February 8, 2009, "probate court" means both the probate division and the domestic relations division of the court of common pleas, and "probate judge" means both the judge of the court of common pleas who is judge of the probate division and each of the judges of the court of common pleas who are judges of the domestic relations division.~~

~~(b) On and after~~ February 9, 2009, through September 28, 2009, "probate court" means the domestic relations division of the court of common pleas, and "probate judge" means each of the judges of the court of common pleas who are judges of the domestic relations division.

(b) The judge of the court of common pleas, division of domestic relations, whose term begins on February 9, 2009, and successors, shall be the probate judge beginning September 29, 2009, and shall be elected and designated as judge of the court of common pleas, probate division.

(C) Except as otherwise provided in this division, all pleadings, forms, journals, and other records filed or used in the probate division shall be entitled "In the Court of Common Pleas, Probate Division," but are not defective if entitled "In the Probate Court." In Lorain county, ~~on and after~~ from February 9, 2009, through September 28, 2009, all pleadings, forms, journals, and other records filed or used in probate matters shall be entitled "In the Court of Common Pleas, Domestic Relations Division," but are not defective if entitled "In the Probate Division" or "In the Probate Court."

Sec. 2301.02. The number of judges of the court of common pleas for each county, the time for the next election of the judges in the several counties, and the beginning of their terms shall be as follows:

(A) In Adams, Ashland, Fayette, and Pike counties, one judge, elected in 1956, term to begin February 9, 1957;

In Brown, Crawford, Defiance, Highland, Holmes, Morgan, Ottawa, and Union counties, one judge, to be elected in 1954, term to begin February 9, 1955;

In Auglaize county, one judge, to be elected in 1956, term to begin January 9, 1957;

In Coshocton, Darke, Fulton, Gallia, Guernsey, Hardin, Jackson, Knox, Madison, Mercer, Monroe, Paulding, Vinton, and Wyandot counties, one judge, to be elected in 1956, term to begin January 1, 1957;

In Morrow county, two judges, one to be elected in 1956, term to begin January 1, 1957, and one to be elected in 2006, term to begin January 1, 2007;

In Logan county, two judges, one to be elected in 1956, term to begin January 1, 1957, and one to be elected in 2004, term to begin January 2, 2005;

In Carroll, Clinton, Hocking, Meigs, Pickaway, Preble, Shelby, Van Wert, and Williams counties, one judge, to be elected in 1952, term to begin January 1, 1953;

In Champaign county, two judges, one to be elected in 1952, term to begin January 1, 1953, and one to be elected in 2008, term to begin February 10, 2009.

In Harrison and Noble counties, one judge, to be elected in 1954, term to begin April 18, 1955;

In Henry county, two judges, one to be elected in 1956, term to begin May 9, 1957, and one to be elected in 2004, term to begin January 1, 2005;

In Putnam county, one judge, to be elected in 1956, term to begin May 9, 1957;

In Huron county, one judge, to be elected in 1952, term to begin May 14, 1953;

In Perry county, one judge, to be elected in 1954, term to begin July 6, 1956;

In Sandusky county, two judges, one to be elected in 1954, term to begin February 10, 1955, and one to be elected in 1978, term to begin January 1, 1979;

(B) In Allen county, three judges, one to be elected in 1956, term to begin February 9, 1957, the second to be elected in 1958, term to begin January 1, 1959, and the third to be elected in 1992, term to begin January 1, 1993;

In Ashtabula county, three judges, one to be elected in 1954, term to begin February 9, 1955, one to be elected in 1960, term to begin January 1, 1961, and one to be elected in 1978, term to begin January 2, 1979;

In Athens county, two judges, one to be elected in 1954, term to begin February 9, 1955, and one to be elected in 1990, term to begin July 1, 1991;

In Erie county, four judges, one to be elected in 1956, term to begin January 1, 1957, the second to be elected in 1970, term to begin January 2, 1971, the third to be elected in 2004, term to begin January 2, 2005, and the fourth to be elected in 2008, term to begin February 9, 2009;

In Fairfield county, three judges, one to be elected in 1954, term to begin February 9, 1955, the second to be elected in 1970, term to begin January 1, 1971, and the third to be elected in 1994, term to begin January 2, 1995;

In Geauga county, two judges, one to be elected in 1956, term to begin January 1, 1957, and the second to be elected in 1976, term to begin January 6, 1977;

In Greene county, four judges, one to be elected in 1956, term to begin February 9, 1957, the second to be elected in 1960, term to begin January 1, 1961, the third to be elected in 1978, term to begin January 2, 1979, and the fourth to be elected in 1994, term to begin January 1, 1995;

In Hancock county, two judges, one to be elected in 1952, term to begin January 1, 1953, and the second to be elected in 1978, term to begin January 1, 1979;

In Lawrence county, two judges, one to be elected in 1954, term to begin February 9, 1955, and the second to be elected in 1976, term to begin January 1, 1977;

In Marion county, three judges, one to be elected in 1952, term to begin January 1, 1953, the second to be elected in 1976, term to begin January 2, 1977, and the third to be elected in 1998, term to begin February 9, 1999;

In Medina county, three judges, one to be elected in 1956, term to begin January 1, 1957, the second to be elected in 1966, term to begin January 1, 1967, and the third to be elected in 1994, term to begin January 1, 1995;

In Miami county, two judges, one to be elected in 1954, term to begin February 9, 1955, and one to be elected in 1970, term to begin on January 1,

1971;

In Muskingum county, three judges, one to be elected in 1968, term to begin August 9, 1969, one to be elected in 1978, term to begin January 1, 1979, and one to be elected in 2002, term to begin January 2, 2003;

In Portage county, three judges, one to be elected in 1956, term to begin January 1, 1957, the second to be elected in 1960, term to begin January 1, 1961, and the third to be elected in 1986, term to begin January 2, 1987;

In Ross county, two judges, one to be elected in 1956, term to begin February 9, 1957, and the second to be elected in 1976, term to begin January 1, 1977;

In Scioto county, three judges, one to be elected in 1954, term to begin February 10, 1955, the second to be elected in 1960, term to begin January 1, 1961, and the third to be elected in 1994, term to begin January 2, 1995;

In Seneca county, two judges, one to be elected in 1956, term to begin January 1, 1957, and the second to be elected in 1986, term to begin January 2, 1987;

In Warren county, four judges, one to be elected in 1954, term to begin February 9, 1955, the second to be elected in 1970, term to begin January 1, 1971, the third to be elected in 1986, term to begin January 1, 1987, and the fourth to be elected in 2004, term to begin January 2, 2005;

In Washington county, two judges, one to be elected in 1952, term to begin January 1, 1953, and one to be elected in 1986, term to begin January 1, 1987;

In Wood county, three judges, one to be elected in 1968, term beginning January 1, 1969, the second to be elected in 1970, term to begin January 2, 1971, and the third to be elected in 1990, term to begin January 1, 1991;

In Belmont and Jefferson counties, two judges, to be elected in 1954, terms to begin January 1, 1955, and February 9, 1955, respectively;

In Clark county, four judges, one to be elected in 1952, term to begin January 1, 1953, the second to be elected in 1956, term to begin January 2, 1957, the third to be elected in 1986, term to begin January 3, 1987, and the fourth to be elected in 1994, term to begin January 2, 1995.

In Clermont county, five judges, one to be elected in 1956, term to begin January 1, 1957, the second to be elected in 1964, term to begin January 1, 1965, the third to be elected in 1982, term to begin January 2, 1983, the fourth to be elected in 1986, term to begin January 2, 1987; and the fifth to be elected in 2006, term to begin January 3, 2007;

In Columbiana county, two judges, one to be elected in 1952, term to begin January 1, 1953, and the second to be elected in 1956, term to begin January 1, 1957;

In Delaware county, two judges, one to be elected in 1990, term to begin February 9, 1991, the second to be elected in 1994, term to begin January 1, 1995;

In Lake county, six judges, one to be elected in 1958, term to begin January 1, 1959, the second to be elected in 1960, term to begin January 2, 1961, the third to be elected in 1964, term to begin January 3, 1965, the fourth and fifth to be elected in 1978, terms to begin January 4, 1979, and January 5, 1979, respectively, and the sixth to be elected in 2000, term to begin January 6, 2001;

In Licking county, four judges, one to be elected in 1954, term to begin February 9, 1955, one to be elected in 1964, term to begin January 1, 1965, one to be elected in 1990, term to begin January 1, 1991, and one to be elected in 2004, term to begin January 1, 2005;

In Lorain county, ~~ten~~ nine judges, two to be elected in 1952, terms to begin January 1, 1953, and January 2, 1953, respectively, one to be elected in 1958, term to begin January 3, 1959, one to be elected in 1968, term to begin January 1, 1969, two to be elected in 1988, terms to begin January 4, 1989, and January 5, 1989, respectively, two to be elected in 1998, terms to begin January 2, 1999, and January 3, 1999, respectively; and one to be elected in 2006, term to begin January 6, 2007; ~~and one to be elected in 2008, term to begin February 9, 2009, as described in division (C)(1)(c) of section 2301.03 of the Revised Code;~~

In Butler county, eleven judges, one to be elected in 1956, term to begin January 1, 1957; two to be elected in 1954, terms to begin January 1, 1955, and February 9, 1955, respectively; one to be elected in 1968, term to begin January 2, 1969; one to be elected in 1986, term to begin January 3, 1987; two to be elected in 1988, terms to begin January 1, 1989, and January 2, 1989, respectively; one to be elected in 1992, term to begin January 4, 1993; two to be elected in 2002, terms to begin January 2, 2003, and January 3, 2003, respectively; and one to be elected in 2006, term to begin January 3, 2007;

In Richland county, four judges, one to be elected in 1956, term to begin January 1, 1957, the second to be elected in 1960, term to begin February 9, 1961, the third to be elected in 1968, term to begin January 2, 1969, and the fourth to be elected in 2004, term to begin January 3, 2005;

In Tuscarawas county, two judges, one to be elected in 1956, term to begin January 1, 1957, and the second to be elected in 1960, term to begin January 2, 1961;

In Wayne county, two judges, one to be elected in 1956, term beginning January 1, 1957, and one to be elected in 1968, term to begin January 2, 1969;

In Trumbull county, six judges, one to be elected in 1952, term to begin January 1, 1953, the second to be elected in 1954, term to begin January 1, 1955, the third to be elected in 1956, term to begin January 1, 1957, the fourth to be elected in 1964, term to begin January 1, 1965, the fifth to be elected in 1976, term to begin January 2, 1977, and the sixth to be elected in 1994, term to begin

January 3, 1995;

(C) In Cuyahoga county, thirty-nine judges; eight to be elected in 1954, terms to begin on successive days beginning from January 1, 1955, to January 7, 1955, and February 9, 1955, respectively; eight to be elected in 1956, terms to begin on successive days beginning from January 1, 1957, to January 8, 1957; three to be elected in 1952, terms to begin from January 1, 1953, to January 3, 1953; two to be elected in 1960, terms to begin on January 8, 1961, and January 9, 1961, respectively; two to be elected in 1964, terms to begin January 4, 1965, and January 5, 1965, respectively; one to be elected in 1966, term to begin on January 10, 1967; four to be elected in 1968, terms to begin on successive days beginning from January 9, 1969, to January 12, 1969; two to be elected in 1974, terms to begin on January 18, 1975, and January 19, 1975, respectively; five to be elected in 1976, terms to begin on successive days beginning January 6, 1977, to January 10, 1977; two to be elected in 1982, terms to begin January 11, 1983, and January 12, 1983, respectively; and two to be elected in 1986, terms to begin January 13, 1987, and January 14, 1987, respectively;

In Franklin county, twenty-two judges; two to be elected in 1954, terms to begin January 1, 1955, and February 9, 1955, respectively; four to be elected in 1956, terms to begin January 1, 1957, to January 4, 1957; four to be elected in 1958, terms to begin January 1, 1959, to January 4, 1959; three to be elected in 1968, terms to begin January 5, 1969, to January 7, 1969; three to be elected in 1976, terms to begin on successive days beginning January 5, 1977, to January 7, 1977; one to be elected in 1982, term to begin January 8, 1983; one to be elected in 1986, term to begin January 9, 1987; two to be elected in 1990, terms to begin July 1, 1991, and July 2, 1991, respectively; one to be elected in 1996, term to begin January 2, 1997; and one to be elected in 2004, term to begin July 1, 2005;

In Hamilton county, twenty-one judges; eight to be elected in 1966, terms to begin January 1, 1967, January 2, 1967, and from February 9, 1967, to February 14, 1967, respectively; five to be elected in 1956, terms to begin from January 1, 1957, to January 5, 1957; one to be elected in 1964, term to begin January 1, 1965; one to be elected in 1974, term to begin January 15, 1975; one to be elected in 1980, term to begin January 16, 1981; two to be elected at large in the general election in 1982, terms to begin April 1, 1983; one to be elected in 1990, term to begin July 1, 1991; and two to be elected in 1996, terms to begin January 3, 1997, and January 4, 1997, respectively;

In Lucas county, fourteen judges; two to be elected in 1954, terms to begin January 1, 1955, and February 9, 1955, respectively; two to be elected in 1956, terms to begin January 1, 1957, and October 29, 1957, respectively; two to be elected in 1952, terms to begin January 1, 1953, and January 2, 1953, respectively; one to be elected in 1964, term to begin January 3, 1965; one to be elected in 1968, term to begin January 4, 1969; two to be elected in 1976, terms to begin January 4, 1977, and January 5, 1977, respectively; one to be elected in 1982, term to begin January 6, 1983; one to be elected in 1988, term to begin January 7, 1989; one to be elected in 1990, term to begin January 2, 1991; and

one to be elected in 1992, term to begin January 2, 1993;

In Mahoning county, seven judges; three to be elected in 1954, terms to begin January 1, 1955, January 2, 1955, and February 9, 1955, respectively; one to be elected in 1956, term to begin January 1, 1957; one to be elected in 1952, term to begin January 1, 1953; one to be elected in 1968, term to begin January 2, 1969; and one to be elected in 1990, term to begin July 1, 1991;

In Montgomery county, fifteen judges; three to be elected in 1954, terms to begin January 1, 1955, January 2, 1955, and January 3, 1955, respectively; four to be elected in 1952, terms to begin January 1, 1953, January 2, 1953, July 1, 1953, and July 2, 1953, respectively; one to be elected in 1964, term to begin January 3, 1965; one to be elected in 1968, term to begin January 3, 1969; three to be elected in 1976, terms to begin on successive days beginning January 4, 1977, to January 6, 1977; two to be elected in 1990, terms to begin July 1, 1991, and July 2, 1991, respectively; and one to be elected in 1992, term to begin January 1, 1993.

In Stark county, eight judges; one to be elected in 1958, term to begin on January 2, 1959; two to be elected in 1954, terms to begin on January 1, 1955, and February 9, 1955, respectively; two to be elected in 1952, terms to begin January 1, 1953, and April 16, 1953, respectively; one to be elected in 1966, term to begin on January 4, 1967; and two to be elected in 1992, terms to begin January 1, 1993, and January 2, 1993, respectively;

In Summit county, thirteen judges; four to be elected in 1954, terms to begin January 1, 1955, January 2, 1955, January 3, 1955, and February 9, 1955, respectively; three to be elected in 1958, terms to begin January 1, 1959, January 2, 1959, and May 17, 1959, respectively; one to be elected in 1966, term to begin January 4, 1967; one to be elected in 1968, term to begin January 5, 1969; one to be elected in 1990, term to begin May 1, 1991; one to be elected in 1992, term to begin January 6, 1993; and two to be elected in 2008, terms to begin January 5, 2009, and January 6, 2009, respectively.

Notwithstanding the foregoing provisions, in any county having two or more judges of the court of common pleas, in which more than one-third of the judges plus one were previously elected at the same election, if the office of one of those judges so elected becomes vacant more than forty days prior to the second general election preceding the expiration of that judge's term, the office that that judge had filled shall be abolished as of the date of the next general election, and a new office of judge of the court of common pleas shall be created. The judge who is to fill that new office shall be elected for a six-year term at the next general election, and the term of that judge shall commence on the first day of the year following that general election, on which day no other judge's term begins, so that the number of judges that the county shall elect shall not be reduced.

Judges of the probate division of the court of common pleas are judges of the court of common pleas but shall be elected pursuant to sections 2101.02 and

2101.021 of the Revised Code, except in Adams, Harrison, Henry, Morgan, Noble, and Wyandot counties in which the judge of the court of common pleas elected pursuant to this section also shall serve as judge of the probate division, except in Lorain county in which the judges of the domestic relations division of the Lorain county court of common pleas elected pursuant to this section also shall perform the duties and functions of the judge of the probate division from February 9, 2009, through September 28, 2009, and except in Morrow county in which the judges of the court of common pleas elected pursuant to this section also shall perform the duties and functions of the judge of the probate division.

Sec. 2301.03. (A) In Franklin county, the judges of the court of common pleas whose terms begin on January 1, 1953, January 2, 1953, January 5, 1969, January 5, 1977, and January 2, 1997, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Franklin county and shall be elected and designated as judges of the court of common pleas, division of domestic relations. They shall have all the powers relating to juvenile courts, and all cases under Chapters 2151. and 2152. of the Revised Code, all parentage proceedings under Chapter 3111. of the Revised Code over which the juvenile court has jurisdiction, and all divorce, dissolution of marriage, legal separation, and annulment cases shall be assigned to them. In addition to the judge's regular duties, the judge who is senior in point of service shall serve on the children services board and the county advisory board and shall be the administrator of the domestic relations division and its subdivisions and departments.

(B) In Hamilton county:

(1) The judge of the court of common pleas, whose term begins on January 1, 1957, and successors, and the judge of the court of common pleas, whose term begins on February 14, 1967, and successors, shall be the juvenile judges as provided in Chapters 2151. and 2152. of the Revised Code, with the powers and jurisdiction conferred by those chapters.

(2) The judges of the court of common pleas whose terms begin on January 5, 1957, January 16, 1981, and July 1, 1991, and successors, shall be elected and designated as judges of the court of common pleas, division of domestic relations, and shall have assigned to them all divorce, dissolution of marriage, legal separation, and annulment cases coming before the court. On or after the first day of July and before the first day of August of 1991 and each year thereafter, a majority of the judges of the division of domestic relations shall elect one of the judges of the division as administrative judge of that division. If a majority of the judges of the division of domestic relations are unable for any reason to elect an administrative judge for the division before the first day of August, a majority of the judges of the Hamilton county court of common pleas, as soon as possible after that date, shall elect one of the judges of the division of domestic relations as administrative judge of that division. The term of the administrative judge shall begin on the earlier of the first day of

August of the year in which the administrative judge is elected or the date on which the administrative judge is elected by a majority of the judges of the Hamilton county court of common pleas and shall terminate on the date on which the administrative judge's successor is elected in the following year.

In addition to the judge's regular duties, the administrative judge of the division of domestic relations shall be the administrator of the domestic relations division and its subdivisions and departments and shall have charge of the employment, assignment, and supervision of the personnel of the division engaged in handling, servicing, or investigating divorce, dissolution of marriage, legal separation, and annulment cases, including any referees considered necessary by the judges in the discharge of their various duties.

The administrative judge of the division of domestic relations also shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacations of the personnel of the division, and shall fix the duties of its personnel. The duties of the personnel, in addition to those provided for in other sections of the Revised Code, shall include the handling, servicing, and investigation of divorce, dissolution of marriage, legal separation, and annulment cases and counseling and conciliation services that may be made available to persons requesting them, whether or not the persons are parties to an action pending in the division.

The board of county commissioners shall appropriate the sum of money each year as will meet all the administrative expenses of the division of domestic relations, including reasonable expenses of the domestic relations judges and the division counselors and other employees designated to conduct the handling, servicing, and investigation of divorce, dissolution of marriage, legal separation, and annulment cases, conciliation and counseling, and all matters relating to those cases and counseling, and the expenses involved in the attendance of division personnel at domestic relations and welfare conferences designated by the division, and the further sum each year as will provide for the adequate operation of the division of domestic relations.

The compensation and expenses of all employees and the salary and expenses of the judges shall be paid by the county treasurer from the money appropriated for the operation of the division, upon the warrant of the county auditor, certified to by the administrative judge of the division of domestic relations.

The summonses, warrants, citations, subpoenas, and other writs of the division may issue to a bailiff, constable, or staff investigator of the division or to the sheriff of any county or any marshal, constable, or police officer, and the provisions of law relating to the subpoenaing of witnesses in other cases shall apply insofar as they are applicable. When a summons, warrant, citation, subpoena, or other writ is issued to an officer, other than a bailiff, constable, or staff investigator of the division, the expense of serving it shall be assessed as a part of the costs in the case involved.

(3) The judge of the court of common pleas of Hamilton county whose term begins on January 3, 1997, and the successors to that judge shall each be elected and designated as the drug court judge of the court of common pleas of Hamilton county. The drug court judge may accept or reject any case referred to the drug court judge under division (B)(3) of this section. After the drug court judge accepts a referred case, the drug court judge has full authority over the case, including the authority to conduct arraignment, accept pleas, enter findings and dispositions, conduct trials, order treatment, and if treatment is not successfully completed pronounce and enter sentence.

A judge of the general division of the court of common pleas of Hamilton county and a judge of the Hamilton county municipal court may refer to the drug court judge any case, and any companion cases, the judge determines meet the criteria described under divisions (B)(3)(a) and (b) of this section. If the drug court judge accepts referral of a referred case, the case, and any companion cases, shall be transferred to the drug court judge. A judge may refer a case meeting the criteria described in divisions (B)(3)(a) and (b) of this section that involves a violation of a condition of a community control sanction to the drug court judge, and, if the drug court judge accepts the referral, the referring judge and the drug court judge have concurrent jurisdiction over the case.

A judge of the general division of the court of common pleas of Hamilton county and a judge of the Hamilton county municipal court may refer a case to the drug court judge under division (B)(3) of this section if the judge determines that both of the following apply:

(a) One of the following applies:

(i) The case involves a drug abuse offense, as defined in section 2925.01 of the Revised Code, that is a felony of the third or fourth degree if the offense is committed prior to July 1, 1996, a felony of the third, fourth, or fifth degree if the offense is committed on or after July 1, 1996, or a misdemeanor.

(ii) The case involves a theft offense, as defined in section 2913.01 of the Revised Code, that is a felony of the third or fourth degree if the offense is committed prior to July 1, 1996, a felony of the third, fourth, or fifth degree if the offense is committed on or after July 1, 1996, or a misdemeanor, and the defendant is drug or alcohol dependent or in danger of becoming drug or alcohol dependent and would benefit from treatment.

(b) All of the following apply:

(i) The case involves an offense for which a community control sanction may be imposed or is a case in which a mandatory prison term or a mandatory jail term is not required to be imposed.

(ii) The defendant has no history of violent behavior.

(iii) The defendant has no history of mental illness.

(iv) The defendant's current or past behavior, or both, is drug or alcohol

driven.

(v) The defendant demonstrates a sincere willingness to participate in a fifteen-month treatment process.

(vi) The defendant has no acute health condition.

(vii) If the defendant is incarcerated, the county prosecutor approves of the referral.

(4) If the administrative judge of the court of common pleas of Hamilton county determines that the volume of cases pending before the drug court judge does not constitute a sufficient caseload for the drug court judge, the administrative judge, in accordance with the Rules of Superintendence for Courts of Common Pleas, shall assign individual cases to the drug court judge from the general docket of the court. If the assignments so occur, the administrative judge shall cease the assignments when the administrative judge determines that the volume of cases pending before the drug court judge constitutes a sufficient caseload for the drug court judge.

(5) As used in division (B) of this section, "community control sanction," "mandatory prison term," and "mandatory jail term" have the same meanings as in section 2929.01 of the Revised Code.

(C)(1) In Lorain county:

(a) The judges of the court of common pleas whose terms begin on January 3, 1959, January 4, 1989, and January 2, 1999, ~~and February 9, 2009,~~ and successors, and the judge of the court of common pleas whose term begins on February 9, 2009, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judges of the court of common pleas of Lorain county and shall be elected and designated as the judges of the court of common pleas, division of domestic relations. ~~They~~ The judges of the court of common pleas whose terms begin on January 3, 1959, January 4, 1989, and January 2, 1999, and successors, shall have all of the powers relating to juvenile courts, and all cases under Chapters 2151. and 2152. of the Revised Code, all parentage proceedings over which the juvenile court has jurisdiction, and all divorce, dissolution of marriage, legal separation, and annulment cases shall be assigned to them, except cases that for some special reason are assigned to some other judge of the court of common pleas. From February 9, 2009, through September 28, 2009, the judge of the court of common pleas whose term begins on February 9, 2009, shall have all the powers relating to juvenile courts, and cases under Chapters 2151. and 2152. of the Revised Code, parentage proceedings over which the juvenile court has jurisdiction, and divorce, dissolution of marriage, legal separation, and annulment cases shall be assigned to that judge, except cases that for some special reason are assigned to some other judge of the court of common pleas.

(b) ~~On and after~~ From January 1, 2006, through September 28, 2009, the judges of the court of common pleas, division of domestic relations, in addition

to the powers and jurisdiction set forth in division (C)(1)(a) of this section, shall have jurisdiction over matters that are within the jurisdiction of the probate court under Chapter 2101. and other provisions of the Revised Code. ~~From January 1, 2006, through February 8, 2009, the judges of the court of common pleas, division of domestic relations, shall exercise probate jurisdiction concurrently with the probate judge.~~

(c) The judge of the court of common pleas, division of domestic relations, whose term begins on February 9, 2009, is the successor to the probate judge who was elected in 2002 for a term that began on February 9, 2003. After September 28, 2009, the judge of the court of common pleas, division of domestic relations, whose term begins on February 9, 2009, shall be the probate judge.

(2)(a) ~~From January 1, 2006, through February 8, 2009, with respect to Lorain county, all references in law to the probate court shall be construed as references to both the probate court and the court of common pleas, division of domestic relations, and all references in law to the probate judge shall be construed as references to both the probate judge and the judges of the court of common pleas, division of domestic relations. On and after~~ From February 9, 2009, through September 28, 2009, with respect to Lorain county, all references in law to the probate court shall be construed as references to the court of common pleas, division of domestic relations, and all references to the probate judge shall be construed as references to the judges of the court of common pleas, division of domestic relations.

(b) ~~On and after~~ From February 9, 2009, through September 28, 2009, with respect to Lorain county, all references in law to the clerk of the probate court shall be construed as references to the judge who is serving pursuant to Rule 4 of the Rules of Superintendence for the Courts of Ohio as the administrative judge of the court of common pleas, division of domestic relations.

(D) In Lucas county:

(1) The judges of the court of common pleas whose terms begin on January 1, 1955, and January 3, 1965, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Lucas county and shall be elected and designated as judges of the court of common pleas, division of domestic relations. All divorce, dissolution of marriage, legal separation, and annulment cases shall be assigned to them.

The judge of the division of domestic relations, senior in point of service, shall be considered as the presiding judge of the court of common pleas, division of domestic relations, and shall be charged exclusively with the assignment and division of the work of the division and the employment and supervision of all other personnel of the domestic relations division.

(2) The judges of the court of common pleas whose terms begin on

January 5, 1977, and January 2, 1991, and successors shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Lucas county, shall be elected and designated as judges of the court of common pleas, juvenile division, and shall be the juvenile judges as provided in Chapters 2151. and 2152. of the Revised Code with the powers and jurisdictions conferred by those chapters. In addition to the judge's regular duties, the judge of the court of common pleas, juvenile division, senior in point of service, shall be the administrator of the juvenile division and its subdivisions and departments and shall have charge of the employment, assignment, and supervision of the personnel of the division engaged in handling, servicing, or investigating juvenile cases, including any referees considered necessary by the judges of the division in the discharge of their various duties.

The judge of the court of common pleas, juvenile division, senior in point of service, also shall designate the title, compensation, expense allowance, hours, leaves of absence, and vacation of the personnel of the division and shall fix the duties of the personnel of the division. The duties of the personnel, in addition to other statutory duties include the handling, servicing, and investigation of juvenile cases and counseling and conciliation services that may be made available to persons requesting them, whether or not the persons are parties to an action pending in the division.

(3) If one of the judges of the court of common pleas, division of domestic relations, or one of the judges of the juvenile division is sick, absent, or unable to perform that judge's judicial duties or the volume of cases pending in that judge's division necessitates it, the duties shall be performed by the judges of the other of those divisions.

(E) In Mahoning county:

(1) The judge of the court of common pleas whose term began on January 1, 1955, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Mahoning county, shall be elected and designated as judge of the court of common pleas, division of domestic relations, and shall be assigned all the divorce, dissolution of marriage, legal separation, and annulment cases coming before the court. In addition to the judge's regular duties, the judge of the court of common pleas, division of domestic relations, shall be the administrator of the domestic relations division and its subdivisions and departments and shall have charge of the employment, assignment, and supervision of the personnel of the division engaged in handling, servicing, or investigating divorce, dissolution of marriage, legal separation, and annulment cases, including any referees considered necessary in the discharge of the various duties of the judge's office.

The judge also shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacations of the personnel of the division and shall fix the duties of the personnel of the division. The duties of the

personnel, in addition to other statutory duties, include the handling, servicing, and investigation of divorce, dissolution of marriage, legal separation, and annulment cases and counseling and conciliation services that may be made available to persons requesting them, whether or not the persons are parties to an action pending in the division.

(2) The judge of the court of common pleas whose term began on January 2, 1969, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Mahoning county, shall be elected and designated as judge of the court of common pleas, juvenile division, and shall be the juvenile judge as provided in Chapters 2151. and 2152. of the Revised Code, with the powers and jurisdictions conferred by those chapters. In addition to the judge's regular duties, the judge of the court of common pleas, juvenile division, shall be the administrator of the juvenile division and its subdivisions and departments and shall have charge of the employment, assignment, and supervision of the personnel of the division engaged in handling, servicing, or investigating juvenile cases, including any referees considered necessary by the judge in the discharge of the judge's various duties.

The judge also shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacation of the personnel of the division and shall fix the duties of the personnel of the division. The duties of the personnel, in addition to other statutory duties, include the handling, servicing, and investigation of juvenile cases and counseling and conciliation services that may be made available to persons requesting them, whether or not the persons are parties to an action pending in the division.

(3) If a judge of the court of common pleas, division of domestic relations or juvenile division, is sick, absent, or unable to perform that judge's judicial duties, or the volume of cases pending in that judge's division necessitates it, that judge's duties shall be performed by another judge of the court of common pleas.

(F) In Montgomery county:

(1) The judges of the court of common pleas whose terms begin on January 2, 1953, and January 4, 1977, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Montgomery county and shall be elected and designated as judges of the court of common pleas, division of domestic relations. These judges shall have assigned to them all divorce, dissolution of marriage, legal separation, and annulment cases.

The judge of the division of domestic relations, senior in point of service, shall be charged exclusively with the assignment and division of the work of the division and shall have charge of the employment and supervision of the personnel of the division engaged in handling, servicing, or investigating divorce, dissolution of marriage, legal separation, and annulment cases,

including any necessary referees, except those employees who may be appointed by the judge, junior in point of service, under this section and sections 2301.12, 2301.18, and 2301.19 of the Revised Code. The judge of the division of domestic relations, senior in point of service, also shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacation of the personnel of the division and shall fix their duties.

(2) The judges of the court of common pleas whose terms begin on January 1, 1953, and January 1, 1993, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Montgomery county, shall be elected and designated as judges of the court of common pleas, juvenile division, and shall be, and have the powers and jurisdiction of, the juvenile judge as provided in Chapters 2151. and 2152. of the Revised Code.

In addition to the judge's regular duties, the judge of the court of common pleas, juvenile division, senior in point of service, shall be the administrator of the juvenile division and its subdivisions and departments and shall have charge of the employment, assignment, and supervision of the personnel of the juvenile division, including any necessary referees, who are engaged in handling, servicing, or investigating juvenile cases. The judge, senior in point of service, also shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacation of the personnel of the division and shall fix their duties. The duties of the personnel, in addition to other statutory duties, shall include the handling, servicing, and investigation of juvenile cases and of any counseling and conciliation services that are available upon request to persons, whether or not they are parties to an action pending in the division.

If one of the judges of the court of common pleas, division of domestic relations, or one of the judges of the court of common pleas, juvenile division, is sick, absent, or unable to perform that judge's duties or the volume of cases pending in that judge's division necessitates it, the duties of that judge may be performed by the judge or judges of the other of those divisions.

(G) In Richland county:

(1) The judge of the court of common pleas whose term begins on January 1, 1957, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judges of the court of common pleas of Richland county and shall be elected and designated as judge of the court of common pleas, division of domestic relations. That judge shall be assigned and hear all divorce, dissolution of marriage, legal separation, and annulment cases, all domestic violence cases arising under section 3113.31 of the Revised Code, and all post-decree proceedings arising from any case pertaining to any of those matters. The division of domestic relations has concurrent jurisdiction with the juvenile division of the court of common pleas of Richland county to determine the care, custody, or control of any child not a ward of another court of this state, and to hear and determine a request for an order for the support of any child if the request is not ancillary to

an action for divorce, dissolution of marriage, annulment, or legal separation, a criminal or civil action involving an allegation of domestic violence, or an action for support brought under Chapter 3115. of the Revised Code. Except in cases that are subject to the exclusive original jurisdiction of the juvenile court, the judge of the division of domestic relations shall be assigned and hear all cases pertaining to paternity or parentage, the care, custody, or control of children, parenting time or visitation, child support, or the allocation of parental rights and responsibilities for the care of children, all proceedings arising under Chapter 3111. of the Revised Code, all proceedings arising under the uniform interstate family support act contained in Chapter 3115. of the Revised Code, and all post-decree proceedings arising from any case pertaining to any of those matters.

In addition to the judge's regular duties, the judge of the court of common pleas, division of domestic relations, shall be the administrator of the domestic relations division and its subdivisions and departments. The judge shall have charge of the employment, assignment, and supervision of the personnel of the domestic relations division, including any magistrates the judge considers necessary for the discharge of the judge's duties. The judge shall also designate the title, compensation, expense allowances, hours, leaves of absence, vacation, and other employment-related matters of the personnel of the division and shall fix their duties.

(2) The judge of the court of common pleas whose term begins on January 3, 2005, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Richland county, shall be elected and designated as judge of the court of common pleas, juvenile division, and shall be, and have the powers and jurisdiction of, the juvenile judge as provided in Chapters 2151. and 2152. of the Revised Code. Except in cases that are subject to the exclusive original jurisdiction of the juvenile court, the judge of the juvenile division shall not have jurisdiction or the power to hear, and shall not be assigned, any case pertaining to paternity or parentage, the care, custody, or control of children, parenting time or visitation, child support, or the allocation of parental rights and responsibilities for the care of children or any post-decree proceeding arising from any case pertaining to any of those matters. The judge of the juvenile division shall not have jurisdiction or the power to hear, and shall not be assigned, any proceeding under the uniform interstate family support act contained in Chapter 3115. of the Revised Code.

In addition to the judge's regular duties, the judge of the juvenile division shall be the administrator of the juvenile division and its subdivisions and departments. The judge shall have charge of the employment, assignment, and supervision of the personnel of the juvenile division who are engaged in handling, servicing, or investigating juvenile cases, including any magistrates whom the judge considers necessary for the discharge of the judge's various duties.

The judge of the juvenile division also shall designate the title,

compensation, expense allowances, hours, leaves of absence, and vacation of the personnel of the division and shall fix their duties. The duties of the personnel, in addition to other statutory duties, include the handling, servicing, and investigation of juvenile cases and providing any counseling, conciliation, and mediation services that the court makes available to persons, whether or not the persons are parties to an action pending in the court, who request the services.

(H) In Stark county, the judges of the court of common pleas whose terms begin on January 1, 1953, January 2, 1959, and January 1, 1993, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Stark county and shall be elected and designated as judges of the court of common pleas, division of domestic relations. They shall have all the powers relating to juvenile courts, and all cases under Chapters 2151. and 2152. of the Revised Code, all parentage proceedings over which the juvenile court has jurisdiction, and all divorce, dissolution of marriage, legal separation, and annulment cases, except cases that are assigned to some other judge of the court of common pleas for some special reason, shall be assigned to the judges.

The judge of the division of domestic relations, second most senior in point of service, shall have charge of the employment and supervision of the personnel of the division engaged in handling, servicing, or investigating divorce, dissolution of marriage, legal separation, and annulment cases, and necessary referees required for the judge's respective court.

The judge of the division of domestic relations, senior in point of service, shall be charged exclusively with the administration of sections 2151.13, 2151.16, 2151.17, and 2152.71 of the Revised Code and with the assignment and division of the work of the division and the employment and supervision of all other personnel of the division, including, but not limited to, that judge's necessary referees, but excepting those employees who may be appointed by the judge second most senior in point of service. The senior judge further shall serve in every other position in which the statutes permit or require a juvenile judge to serve.

(I) In Summit county:

(1) The judges of the court of common pleas whose terms begin on January 4, 1967, and January 6, 1993, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Summit county and shall be elected and designated as judges of the court of common pleas, division of domestic relations. The judges of the division of domestic relations shall have assigned to them and hear all divorce, dissolution of marriage, legal separation, and annulment cases that come before the court. Except in cases that are subject to the exclusive original jurisdiction of the juvenile court, the judges of the division of domestic relations shall have assigned to them and hear all cases pertaining to paternity, custody, visitation, child support, or the allocation of parental rights and responsibilities for the care of children and all post-decree

proceedings arising from any case pertaining to any of those matters. The judges of the division of domestic relations shall have assigned to them and hear all proceedings under the uniform interstate family support act contained in Chapter 3115. of the Revised Code.

The judge of the division of domestic relations, senior in point of service, shall be the administrator of the domestic relations division and its subdivisions and departments and shall have charge of the employment, assignment, and supervision of the personnel of the division, including any necessary referees, who are engaged in handling, servicing, or investigating divorce, dissolution of marriage, legal separation, and annulment cases. That judge also shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacations of the personnel of the division and shall fix their duties. The duties of the personnel, in addition to other statutory duties, shall include the handling, servicing, and investigation of divorce, dissolution of marriage, legal separation, and annulment cases and of any counseling and conciliation services that are available upon request to all persons, whether or not they are parties to an action pending in the division.

(2) The judge of the court of common pleas whose term begins on January 1, 1955, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Summit county, shall be elected and designated as judge of the court of common pleas, juvenile division, and shall be, and have the powers and jurisdiction of, the juvenile judge as provided in Chapters 2151. and 2152. of the Revised Code. Except in cases that are subject to the exclusive original jurisdiction of the juvenile court, the judge of the juvenile division shall not have jurisdiction or the power to hear, and shall not be assigned, any case pertaining to paternity, custody, visitation, child support, or the allocation of parental rights and responsibilities for the care of children or any post-decree proceeding arising from any case pertaining to any of those matters. The judge of the juvenile division shall not have jurisdiction or the power to hear, and shall not be assigned, any proceeding under the uniform interstate family support act contained in Chapter 3115. of the Revised Code.

The juvenile judge shall be the administrator of the juvenile division and its subdivisions and departments and shall have charge of the employment, assignment, and supervision of the personnel of the juvenile division, including any necessary referees, who are engaged in handling, servicing, or investigating juvenile cases. The judge also shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacation of the personnel of the division and shall fix their duties. The duties of the personnel, in addition to other statutory duties, shall include the handling, servicing, and investigation of juvenile cases and of any counseling and conciliation services that are available upon request to persons, whether or not they are parties to an action pending in the division.

(J) In Trumbull county, the judges of the court of common pleas whose

terms begin on January 1, 1953, and January 2, 1977, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Trumbull county and shall be elected and designated as judges of the court of common pleas, division of domestic relations. They shall have all the powers relating to juvenile courts, and all cases under Chapters 2151. and 2152. of the Revised Code, all parentage proceedings over which the juvenile court has jurisdiction, and all divorce, dissolution of marriage, legal separation, and annulment cases shall be assigned to them, except cases that for some special reason are assigned to some other judge of the court of common pleas.

(K) In Butler county:

(1) The judges of the court of common pleas whose terms begin on January 1, 1957, and January 4, 1993, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Butler county and shall be elected and designated as judges of the court of common pleas, division of domestic relations. The judges of the division of domestic relations shall have assigned to them all divorce, dissolution of marriage, legal separation, and annulment cases coming before the court, except in cases that for some special reason are assigned to some other judge of the court of common pleas. The judge senior in point of service shall be charged with the assignment and division of the work of the division and with the employment and supervision of all other personnel of the domestic relations division.

The judge senior in point of service also shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacations of the personnel of the division and shall fix their duties. The duties of the personnel, in addition to other statutory duties, shall include the handling, servicing, and investigation of divorce, dissolution of marriage, legal separation, and annulment cases and providing any counseling and conciliation services that the division makes available to persons, whether or not the persons are parties to an action pending in the division, who request the services.

(2) The judges of the court of common pleas whose terms begin on January 3, 1987, and January 2, 2003, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Butler county, shall be elected and designated as judges of the court of common pleas, juvenile division, and shall be the juvenile judges as provided in Chapters 2151. and 2152. of the Revised Code, with the powers and jurisdictions conferred by those chapters. The judge of the court of common pleas, juvenile division, who is senior in point of service, shall be the administrator of the juvenile division and its subdivisions and departments. The judge, senior in point of service, shall have charge of the employment, assignment, and supervision of the personnel of the juvenile division who are engaged in handling, servicing, or investigating juvenile cases, including any referees whom the judge considers necessary for

the discharge of the judge's various duties.

The judge, senior in point of service, also shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacation of the personnel of the division and shall fix their duties. The duties of the personnel, in addition to other statutory duties, include the handling, servicing, and investigation of juvenile cases and providing any counseling and conciliation services that the division makes available to persons, whether or not the persons are parties to an action pending in the division, who request the services.

(3) If a judge of the court of common pleas, division of domestic relations or juvenile division, is sick, absent, or unable to perform that judge's judicial duties or the volume of cases pending in the judge's division necessitates it, the duties of that judge shall be performed by the other judges of the domestic relations and juvenile divisions.

(L)(1) In Cuyahoga county, the judges of the court of common pleas whose terms begin on January 8, 1961, January 9, 1961, January 18, 1975, January 19, 1975, and January 13, 1987, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Cuyahoga county and shall be elected and designated as judges of the court of common pleas, division of domestic relations. They shall have all the powers relating to all divorce, dissolution of marriage, legal separation, and annulment cases, except in cases that are assigned to some other judge of the court of common pleas for some special reason.

(2) The administrative judge is administrator of the domestic relations division and its subdivisions and departments and has the following powers concerning division personnel:

(a) Full charge of the employment, assignment, and supervision;

(b) Sole determination of compensation, duties, expenses, allowances, hours, leaves, and vacations.

(3) "Division personnel" include persons employed or referees engaged in hearing, servicing, investigating, counseling, or conciliating divorce, dissolution of marriage, legal separation and annulment matters.

(M) In Lake county:

(1) The judge of the court of common pleas whose term begins on January 2, 1961, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judges of the court of common pleas of Lake county and shall be elected and designated as judge of the court of common pleas, division of domestic relations. The judge shall be assigned all the divorce, dissolution of marriage, legal separation, and annulment cases coming before the court, except in cases that for some special reason are assigned to some other judge of the court of common pleas. The judge shall be charged with the assignment and division of the work

of the division and with the employment and supervision of all other personnel of the domestic relations division.

The judge also shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacations of the personnel of the division and shall fix their duties. The duties of the personnel, in addition to other statutory duties, shall include the handling, servicing, and investigation of divorce, dissolution of marriage, legal separation, and annulment cases and providing any counseling and conciliation services that the division makes available to persons, whether or not the persons are parties to an action pending in the division, who request the services.

(2) The judge of the court of common pleas whose term begins on January 4, 1979, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Lake county, shall be elected and designated as judge of the court of common pleas, juvenile division, and shall be the juvenile judge as provided in Chapters 2151. and 2152. of the Revised Code, with the powers and jurisdictions conferred by those chapters. The judge of the court of common pleas, juvenile division, shall be the administrator of the juvenile division and its subdivisions and departments. The judge shall have charge of the employment, assignment, and supervision of the personnel of the juvenile division who are engaged in handling, servicing, or investigating juvenile cases, including any referees whom the judge considers necessary for the discharge of the judge's various duties.

The judge also shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacation of the personnel of the division and shall fix their duties. The duties of the personnel, in addition to other statutory duties, include the handling, servicing, and investigation of juvenile cases and providing any counseling and conciliation services that the division makes available to persons, whether or not the persons are parties to an action pending in the division, who request the services.

(3) If a judge of the court of common pleas, division of domestic relations or juvenile division, is sick, absent, or unable to perform that judge's judicial duties or the volume of cases pending in the judge's division necessitates it, the duties of that judge shall be performed by the other judges of the domestic relations and juvenile divisions.

(N) In Erie county:

(1) The judge of the court of common pleas whose term begins on January 2, 1971, and the successors to that judge whose terms begin before January 2, 2007, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judge of the court of common pleas of Erie county and shall be elected and designated as judge of the court of common pleas, division of domestic relations. The judge shall have all the powers relating to juvenile courts, and shall be assigned all

cases under Chapters 2151. and 2152. of the Revised Code, parentage proceedings over which the juvenile court has jurisdiction, and divorce, dissolution of marriage, legal separation, and annulment cases, except cases that for some special reason are assigned to some other judge.

On or after January 2, 2007, the judge of the court of common pleas who is elected in 2006 shall be the successor to the judge of the domestic relations division whose term expires on January 1, 2007, shall be designated as judge of the court of common pleas, juvenile division, and shall be the juvenile judge as provided in Chapters 2151. and 2152. of the Revised Code with the powers and jurisdictions conferred by those chapters.

(2) The judge of the court of common pleas, general division, whose term begins on January 1, 2005, and successors, the judge of the court of common pleas, general division whose term begins on January 2, 2005, and successors, and the judge of the court of common pleas, general division, whose term begins February 9, 2009, and successors, shall have assigned to them, in addition to all matters that are within the jurisdiction of the general division of the court of common pleas, all divorce, dissolution of marriage, legal separation, and annulment cases coming before the court, and all matters that are within the jurisdiction of the probate court under Chapter 2101., and other provisions, of the Revised Code.

(O) In Greene county:

(1) The judge of the court of common pleas whose term begins on January 1, 1961, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judges of the court of common pleas of Greene county and shall be elected and designated as the judge of the court of common pleas, division of domestic relations. The judge shall be assigned all divorce, dissolution of marriage, legal separation, annulment, uniform reciprocal support enforcement, and domestic violence cases and all other cases related to domestic relations, except cases that for some special reason are assigned to some other judge of the court of common pleas.

The judge shall be charged with the assignment and division of the work of the division and with the employment and supervision of all other personnel of the division. The judge also shall designate the title, compensation, hours, leaves of absence, and vacations of the personnel of the division and shall fix their duties. The duties of the personnel of the division, in addition to other statutory duties, shall include the handling, servicing, and investigation of divorce, dissolution of marriage, legal separation, and annulment cases and the provision of counseling and conciliation services that the division considers necessary and makes available to persons who request the services, whether or not the persons are parties in an action pending in the division. The compensation for the personnel shall be paid from the overall court budget and shall be included in the appropriations for the existing judges of the general division of the court of common pleas.

(2) The judge of the court of common pleas whose term begins on January 1, 1995, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judges of the court of common pleas of Greene county, shall be elected and designated as judge of the court of common pleas, juvenile division, and, on or after January 1, 1995, shall be the juvenile judge as provided in Chapters 2151. and 2152. of the Revised Code with the powers and jurisdiction conferred by those chapters. The judge of the court of common pleas, juvenile division, shall be the administrator of the juvenile division and its subdivisions and departments. The judge shall have charge of the employment, assignment, and supervision of the personnel of the juvenile division who are engaged in handling, servicing, or investigating juvenile cases, including any referees whom the judge considers necessary for the discharge of the judge's various duties.

The judge also shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacation of the personnel of the division and shall fix their duties. The duties of the personnel, in addition to other statutory duties, include the handling, servicing, and investigation of juvenile cases and providing any counseling and conciliation services that the court makes available to persons, whether or not the persons are parties to an action pending in the court, who request the services.

(3) If one of the judges of the court of common pleas, general division, is sick, absent, or unable to perform that judge's judicial duties or the volume of cases pending in the general division necessitates it, the duties of that judge of the general division shall be performed by the judge of the division of domestic relations and the judge of the juvenile division.

(P) In Portage county, the judge of the court of common pleas, whose term begins January 2, 1987, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judges of the court of common pleas of Portage county and shall be elected and designated as judge of the court of common pleas, division of domestic relations. The judge shall be assigned all divorce, dissolution of marriage, legal separation, and annulment cases coming before the court, except in cases that for some special reason are assigned to some other judge of the court of common pleas. The judge shall be charged with the assignment and division of the work of the division and with the employment and supervision of all other personnel of the domestic relations division.

The judge also shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacations of the personnel of the division and shall fix their duties. The duties of the personnel, in addition to other statutory duties, shall include the handling, servicing, and investigation of divorce, dissolution of marriage, legal separation, and annulment cases and providing any counseling and conciliation services that the division makes available to persons, whether or not the persons are parties to an action pending in the division, who request the services.

(Q) In Clermont county, the judge of the court of common pleas, whose term begins January 2, 1987, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judges of the court of common pleas of Clermont county and shall be elected and designated as judge of the court of common pleas, division of domestic relations. The judge shall be assigned all divorce, dissolution of marriage, legal separation, and annulment cases coming before the court, except in cases that for some special reason are assigned to some other judge of the court of common pleas. The judge shall be charged with the assignment and division of the work of the division and with the employment and supervision of all other personnel of the domestic relations division.

The judge also shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacations of the personnel of the division and shall fix their duties. The duties of the personnel, in addition to other statutory duties, shall include the handling, servicing, and investigation of divorce, dissolution of marriage, legal separation, and annulment cases and providing any counseling and conciliation services that the division makes available to persons, whether or not the persons are parties to an action pending in the division, who request the services.

(R) In Warren county, the judge of the court of common pleas, whose term begins January 1, 1987, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judges of the court of common pleas of Warren county and shall be elected and designated as judge of the court of common pleas, division of domestic relations. The judge shall be assigned all divorce, dissolution of marriage, legal separation, and annulment cases coming before the court, except in cases that for some special reason are assigned to some other judge of the court of common pleas. The judge shall be charged with the assignment and division of the work of the division and with the employment and supervision of all other personnel of the domestic relations division.

The judge also shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacations of the personnel of the division and shall fix their duties. The duties of the personnel, in addition to other statutory duties, shall include the handling, servicing, and investigation of divorce, dissolution of marriage, legal separation, and annulment cases and providing any counseling and conciliation services that the division makes available to persons, whether or not the persons are parties to an action pending in the division, who request the services.

(S) In Licking county, the judges of the court of common pleas, whose terms begin on January 1, 1991, and January 1, 2005, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judges of the court of common pleas of Licking county and shall be elected and designated as judges of the court of common pleas, division of domestic relations. The judges shall be assigned all

divorce, dissolution of marriage, legal separation, and annulment cases, all cases arising under Chapter 3111. of the Revised Code, all proceedings involving child support, the allocation of parental rights and responsibilities for the care of children and the designation for the children of a place of residence and legal custodian, parenting time, and visitation, and all post-decree proceedings and matters arising from those cases and proceedings, except in cases that for some special reason are assigned to another judge of the court of common pleas. The administrative judge of the division of domestic relations shall be charged with the assignment and division of the work of the division and with the employment and supervision of the personnel of the division.

The administrative judge of the division of domestic relations shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacations of the personnel of the division and shall fix the duties of the personnel of the division. The duties of the personnel of the division, in addition to other statutory duties, shall include the handling, servicing, and investigation of divorce, dissolution of marriage, legal separation, and annulment cases, cases arising under Chapter 3111. of the Revised Code, and proceedings involving child support, the allocation of parental rights and responsibilities for the care of children and the designation for the children of a place of residence and legal custodian, parenting time, and visitation and providing any counseling and conciliation services that the division makes available to persons, whether or not the persons are parties to an action pending in the division, who request the services.

(T) In Allen county, the judge of the court of common pleas, whose term begins January 1, 1993, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judges of the court of common pleas of Allen county and shall be elected and designated as judge of the court of common pleas, division of domestic relations. The judge shall be assigned all divorce, dissolution of marriage, legal separation, and annulment cases, all cases arising under Chapter 3111. of the Revised Code, all proceedings involving child support, the allocation of parental rights and responsibilities for the care of children and the designation for the children of a place of residence and legal custodian, parenting time, and visitation, and all post-decree proceedings and matters arising from those cases and proceedings, except in cases that for some special reason are assigned to another judge of the court of common pleas. The judge shall be charged with the assignment and division of the work of the division and with the employment and supervision of the personnel of the division.

The judge shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacations of the personnel of the division and shall fix the duties of the personnel of the division. The duties of the personnel of the division, in addition to other statutory duties, shall include the handling, servicing, and investigation of divorce, dissolution of marriage, legal separation, and annulment cases, cases arising under Chapter 3111. of the Revised Code, and proceedings involving child support, the allocation of parental rights and

responsibilities for the care of children and the designation for the children of a place of residence and legal custodian, parenting time, and visitation, and providing any counseling and conciliation services that the division makes available to persons, whether or not the persons are parties to an action pending in the division, who request the services.

(U) In Medina county, the judge of the court of common pleas whose term begins January 1, 1995, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Medina county and shall be elected and designated as judge of the court of common pleas, division of domestic relations. The judge shall be assigned all divorce, dissolution of marriage, legal separation, and annulment cases, all cases arising under Chapter 3111. of the Revised Code, all proceedings involving child support, the allocation of parental rights and responsibilities for the care of children and the designation for the children of a place of residence and legal custodian, parenting time, and visitation, and all post-decree proceedings and matters arising from those cases and proceedings, except in cases that for some special reason are assigned to another judge of the court of common pleas. The judge shall be charged with the assignment and division of the work of the division and with the employment and supervision of the personnel of the division.

The judge shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacations of the personnel of the division and shall fix the duties of the personnel of the division. The duties of the personnel, in addition to other statutory duties, include the handling, servicing, and investigation of divorce, dissolution of marriage, legal separation, and annulment cases, cases arising under Chapter 3111. of the Revised Code, and proceedings involving child support, the allocation of parental rights and responsibilities for the care of children and the designation for the children of a place of residence and legal custodian, parenting time, and visitation, and providing counseling and conciliation services that the division makes available to persons, whether or not the persons are parties to an action pending in the division, who request the services.

(V) In Fairfield county, the judge of the court of common pleas whose term begins January 2, 1995, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judges of the court of common pleas of Fairfield county and shall be elected and designated as judge of the court of common pleas, division of domestic relations. The judge shall be assigned all divorce, dissolution of marriage, legal separation, and annulment cases, all cases arising under Chapter 3111. of the Revised Code, all proceedings involving child support, the allocation of parental rights and responsibilities for the care of children and the designation for the children of a place of residence and legal custodian, parenting time, and visitation, and all post-decree proceedings and matters arising from those cases and proceedings, except in cases that for some special reason are assigned to another judge of the court of common pleas. The judge also has

concurrent jurisdiction with the probate-juvenile division of the court of common pleas of Fairfield county with respect to and may hear cases to determine the custody of a child, as defined in section 2151.011 of the Revised Code, who is not the ward of another court of this state, cases that are commenced by a parent, guardian, or custodian of a child, as defined in section 2151.011 of the Revised Code, to obtain an order requiring a parent of the child to pay child support for that child when the request for that order is not ancillary to an action for divorce, dissolution of marriage, annulment, or legal separation, a criminal or civil action involving an allegation of domestic violence, an action for support under Chapter 3115. of the Revised Code, or an action that is within the exclusive original jurisdiction of the probate-juvenile division of the court of common pleas of Fairfield county and that involves an allegation that the child is an abused, neglected, or dependent child, and post-decree proceedings and matters arising from those types of cases.

The judge of the domestic relations division shall be charged with the assignment and division of the work of the division and with the employment and supervision of the personnel of the division.

The judge shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacations of the personnel of the division and shall fix the duties of the personnel of the division. The duties of the personnel of the division, in addition to other statutory duties, shall include the handling, servicing, and investigation of divorce, dissolution of marriage, legal separation, and annulment cases, cases arising under Chapter 3111. of the Revised Code, and proceedings involving child support, the allocation of parental rights and responsibilities for the care of children and the designation for the children of a place of residence and legal custodian, parenting time, and visitation, and providing any counseling and conciliation services that the division makes available to persons, regardless of whether the persons are parties to an action pending in the division, who request the services. When the judge hears a case to determine the custody of a child, as defined in section 2151.011 of the Revised Code, who is not the ward of another court of this state or a case that is commenced by a parent, guardian, or custodian of a child, as defined in section 2151.011 of the Revised Code, to obtain an order requiring a parent of the child to pay child support for that child when the request for that order is not ancillary to an action for divorce, dissolution of marriage, annulment, or legal separation, a criminal or civil action involving an allegation of domestic violence, an action for support under Chapter 3115. of the Revised Code, or an action that is within the exclusive original jurisdiction of the probate-juvenile division of the court of common pleas of Fairfield county and that involves an allegation that the child is an abused, neglected, or dependent child, the duties of the personnel of the domestic relations division also include the handling, servicing, and investigation of those types of cases.

(W)(1) In Clark county, the judge of the court of common pleas whose term begins on January 2, 1995, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same

compensation as other judges of the court of common pleas of Clark county and shall be elected and designated as judge of the court of common pleas, domestic relations division. The judge shall have all the powers relating to juvenile courts, and all cases under Chapters 2151. and 2152. of the Revised Code and all parentage proceedings under Chapter 3111. of the Revised Code over which the juvenile court has jurisdiction shall be assigned to the judge of the division of domestic relations. All divorce, dissolution of marriage, legal separation, annulment, uniform reciprocal support enforcement, and other cases related to domestic relations shall be assigned to the domestic relations division, and the presiding judge of the court of common pleas shall assign the cases to the judge of the domestic relations division and the judges of the general division.

(2) In addition to the judge's regular duties, the judge of the division of domestic relations shall serve on the children services board and the county advisory board.

(3) If the judge of the court of common pleas of Clark county, division of domestic relations, is sick, absent, or unable to perform that judge's judicial duties or if the presiding judge of the court of common pleas of Clark county determines that the volume of cases pending in the division of domestic relations necessitates it, the duties of the judge of the division of domestic relations shall be performed by the judges of the general division or probate division of the court of common pleas of Clark county, as assigned for that purpose by the presiding judge of that court, and the judges so assigned shall act in conjunction with the judge of the division of domestic relations of that court.

(X) In Scioto county, the judge of the court of common pleas whose term begins January 2, 1995, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Scioto county and shall be elected and designated as judge of the court of common pleas, division of domestic relations. The judge shall be assigned all divorce, dissolution of marriage, legal separation, and annulment cases, all cases arising under Chapter 3111. of the Revised Code, all proceedings involving child support, the allocation of parental rights and responsibilities for the care of children and the designation for the children of a place of residence and legal custodian, parenting time, visitation, and all post-decree proceedings and matters arising from those cases and proceedings, except in cases that for some special reason are assigned to another judge of the court of common pleas. The judge shall be charged with the assignment and division of the work of the division and with the employment and supervision of the personnel of the division.

The judge shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacations of the personnel of the division and shall fix the duties of the personnel of the division. The duties of the personnel, in addition to other statutory duties, include the handling, servicing, and investigation of divorce, dissolution of marriage, legal separation, and annulment cases, cases arising under Chapter 3111. of the Revised Code, and proceedings

involving child support, the allocation of parental rights and responsibilities for the care of children and the designation for the children of a place of residence and legal custodian, parenting time, and visitation, and providing counseling and conciliation services that the division makes available to persons, whether or not the persons are parties to an action pending in the division, who request the services.

(Y) In Auglaize county, the judge of the probate and juvenile divisions of the Auglaize county court of common pleas also shall be the administrative judge of the domestic relations division of the court and shall be assigned all divorce, dissolution of marriage, legal separation, and annulment cases coming before the court. The judge shall have all powers as administrator of the domestic relations division and shall have charge of the personnel engaged in handling, servicing, or investigating divorce, dissolution of marriage, legal separation, and annulment cases, including any referees considered necessary for the discharge of the judge's various duties.

(Z)(1) In Marion county, the judge of the court of common pleas whose term begins on February 9, 1999, and the successors to that judge, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judges of the court of common pleas of Marion county and shall be elected and designated as judge of the court of common pleas, domestic relations-juvenile-probate division. Except as otherwise specified in this division, that judge, and the successors to that judge, shall have all the powers relating to juvenile courts, and all cases under Chapters 2151. and 2152. of the Revised Code, all cases arising under Chapter 3111. of the Revised Code, all divorce, dissolution of marriage, legal separation, and annulment cases, all proceedings involving child support, the allocation of parental rights and responsibilities for the care of children and the designation for the children of a place of residence and legal custodian, parenting time, and visitation, and all post-decree proceedings and matters arising from those cases and proceedings shall be assigned to that judge and the successors to that judge. Except as provided in division (Z)(2) of this section and notwithstanding any other provision of any section of the Revised Code, on and after February 9, 2003, the judge of the court of common pleas of Marion county whose term begins on February 9, 1999, and the successors to that judge, shall have all the powers relating to the probate division of the court of common pleas of Marion county in addition to the powers previously specified in this division, and shall exercise concurrent jurisdiction with the judge of the probate division of that court over all matters that are within the jurisdiction of the probate division of that court under Chapter 2101., and other provisions, of the Revised Code in addition to the jurisdiction of the domestic relations-juvenile-probate division of that court otherwise specified in division (Z)(1) of this section.

(2) The judge of the domestic relations-juvenile-probate division of the court of common pleas of Marion county or the judge of the probate division of the court of common pleas of Marion county, whichever of those judges is senior in total length of service on the court of common pleas of Marion county,

regardless of the division or divisions of service, shall serve as the clerk of the probate division of the court of common pleas of Marion county.

(3) On and after February 9, 2003, all references in law to "the probate court," "the probate judge," "the juvenile court," or "the judge of the juvenile court" shall be construed, with respect to Marion county, as being references to both "the probate division" and "the domestic relations-juvenile-probate division" and as being references to both "the judge of the probate division" and "the judge of the domestic relations- juvenile-probate division." On and after February 9, 2003, all references in law to "the clerk of the probate court" shall be construed, with respect to Marion county, as being references to the judge who is serving pursuant to division (Z)(2) of this section as the clerk of the probate division of the court of common pleas of Marion county.

(AA) In Muskingum county, the judge of the court of common pleas whose term begins on January 2, 2003, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judges of the court of common pleas of Muskingum county and shall be elected and designated as the judge of the court of common pleas, division of domestic relations. The judge shall be assigned all divorce, dissolution of marriage, legal separation, and annulment cases, all cases arising under Chapter 3111. of the Revised Code, all proceedings involving child support, the allocation of parental rights and responsibilities for the care of children and the designation for the children of a place of residence and legal custodian, parenting time, and visitation, and all post-decree proceedings and matters arising from those cases and proceedings, except in cases that for some special reason are assigned to another judge of the court of common pleas. The judge shall be charged with the assignment and division of the work of the division and with the employment and supervision of the personnel of the division.

The judge shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacations of the personnel of the division and shall fix the duties of the personnel of the division. The duties of the personnel of the division, in addition to other statutory duties, shall include the handling, servicing, and investigation of divorce, dissolution of marriage, legal separation, and annulment cases, cases arising under Chapter 3111. of the Revised Code, and proceedings involving child support, the allocation of parental rights and responsibilities for the care of children and the designation for the children of a place of residence and legal custodian, parenting time, and visitation and providing any counseling and conciliation services that the division makes available to persons, whether or not the persons are parties to an action pending in the division, who request the services.

(BB) In Henry county, the judge of the court of common pleas whose term begins on January 1, 2005, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judge of the court of common pleas of Henry county

and shall be elected and designated as the judge of the court of common pleas, division of domestic relations. The judge shall have all of the powers relating to juvenile courts, and all cases under Chapter 2151. or 2152. of the Revised Code, all parentage proceedings arising under Chapter 3111. of the Revised Code over which the juvenile court has jurisdiction, all divorce, dissolution of marriage, legal separation, and annulment cases, all proceedings involving child support, the allocation of parental rights and responsibilities for the care of children and the designation for the children of a place of residence and legal custodian, parenting time, and visitation, and all post-decree proceedings and matters arising from those cases and proceedings shall be assigned to that judge, except in cases that for some special reason are assigned to the other judge of the court of common pleas.

(CC)(1) In Logan county, the judge of the court of common pleas whose term begins January 2, 2005, and the successors to that judge, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judges of the court of common pleas of Logan county and shall be elected and designated as judge of the court of common pleas, domestic relations-juvenile-probate division. Except as otherwise specified in this division, that judge, and the successors to that judge, shall have all the powers relating to juvenile courts, and all cases under Chapters 2151. and 2152. of the Revised Code, all cases arising under Chapter 3111. of the Revised Code, all divorce, dissolution of marriage, legal separation, and annulment cases, all proceedings involving child support, the allocation of parental rights and responsibilities for the care of children and designation for the children of a place of residence and legal custodian, parenting time, and visitation, and all post-decree proceedings and matters arising from those cases and proceedings shall be assigned to that judge and the successors to that judge. Notwithstanding any other provision of any section of the Revised Code, on and after January 2, 2005, the judge of the court of common pleas of Logan county whose term begins on January 2, 2005, and the successors to that judge, shall have all the powers relating to the probate division of the court of common pleas of Logan county in addition to the powers previously specified in this division and shall exercise concurrent jurisdiction with the judge of the probate division of that court over all matters that are within the jurisdiction of the probate division of that court under Chapter 2101., and other provisions, of the Revised Code in addition to the jurisdiction of the domestic relations-juvenile-probate division of that court otherwise specified in division (CC)(1) of this section.

(2) The judge of the domestic relations-juvenile-probate division of the court of common pleas of Logan county or the probate judge of the court of common pleas of Logan county who is elected as the administrative judge of the probate division of the court of common pleas of Logan county pursuant to Rule 4 of the Rules of Superintendence shall be the clerk of the probate division and juvenile division of the court of common pleas of Logan county. The clerk of the court of common pleas who is elected pursuant to section 2303.01 of the Revised Code shall keep all of the journals, records, books, papers, and files pertaining to

the domestic relations cases.

(3) On and after January 2, 2005, all references in law to "the probate court," "the probate judge," "the juvenile court," or "the judge of the juvenile court" shall be construed, with respect to Logan county, as being references to both "the probate division" and the "domestic relations-juvenile-probate division" and as being references to both "the judge of the probate division" and the "judge of the domestic relations-juvenile-probate division." On and after January 2, 2005, all references in law to "the clerk of the probate court" shall be construed, with respect to Logan county, as being references to the judge who is serving pursuant to division (CC)(2) of this section as the clerk of the probate division of the court of common pleas of Logan county.

(DD)(1) In Champaign county, the judge of the court of common pleas whose term begins February 9, 2003, and the judge of the court of common pleas whose term begins February 10, 2009, and the successors to those judges, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judges of the court of common pleas of Champaign county and shall be elected and designated as judges of the court of common pleas, domestic relations-juvenile-probate division. Except as otherwise specified in this division, those judges, and the successors to those judges, shall have all the powers relating to juvenile courts, and all cases under Chapters 2151. and 2152. of the Revised Code, all cases arising under Chapter 3111. of the Revised Code, all divorce, dissolution of marriage, legal separation, and annulment cases, all proceedings involving child support, the allocation of parental rights and responsibilities for the care of children and the designation for the children of a place of residence and legal custodian, parenting time, and visitation, and all post-decree proceedings and matters arising from those cases and proceedings shall be assigned to those judges and the successors to those judges. Notwithstanding any other provision of any section of the Revised Code, on and after February 9, 2009, the judges designated by this division as judges of the court of common pleas of Champaign county, domestic relations-juvenile-probate division, and the successors to those judges, shall have all the powers relating to probate courts in addition to the powers previously specified in this division and shall exercise jurisdiction over all matters that are within the jurisdiction of probate courts under Chapter 2101., and other provisions, of the Revised Code in addition to the jurisdiction of the domestic relations-juvenile-probate division otherwise specified in division (DD)(1) of this section.

(2) On and after February 9, 2009, all references in law to "the probate court," "the probate judge," "the juvenile court," or "the judge of the juvenile court" shall be construed with respect to Champaign county as being references to the "domestic relations-juvenile-probate division" and as being references to the "judge of the domestic relations-juvenile-probate division." On and after February 9, 2009, all references in law to "the clerk of the probate court" shall be construed with respect to Champaign county as being references to the judge who is serving pursuant to Rule 4 of the Rules of Superintendence for the Courts

of Ohio as the administrative judge of the court of common pleas, domestic relations-juvenile-probate division.

(EE) If a judge of the court of common pleas, division of domestic relations, or juvenile judge, of any of the counties mentioned in this section is sick, absent, or unable to perform that judge's judicial duties or the volume of cases pending in the judge's division necessitates it, the duties of that judge shall be performed by another judge of the court of common pleas of that county, assigned for that purpose by the presiding judge of the court of common pleas of that county to act in place of or in conjunction with that judge, as the case may require."

In line 90837, after "1907.24," insert "2101.01, 2301.02, 2301.03,"

Between lines 105442 and 105443, insert:

"**Section 721.___.** (A) In Lorain County, all proceedings that are within the jurisdiction of the Probate Court under Chapter 2101. and other provisions of the Revised Code that are pending before a judge of the Domestic Relations Division of the Lorain County Court of Common Pleas on the effective date of this act shall remain with that judge of the Domestic Relations Division of the Lorain County Court of Common Pleas. All proceedings that are within the jurisdiction of the Domestic Relations Division of the Lorain County Court of Common Pleas under Chapter 2301. and other provisions of the Revised Code that are pending before the probate judge of the Lorain County Probate Court on September 29, 2009, shall remain with that probate judge of the Lorain County Probate Court.

(B) The successors to the judge of the Lorain County Court of Common Pleas who was elected pursuant to section 2301.02 of the Revised Code in 2008 for a term that began on February 9, 2009, shall be elected in 2014 and thereafter pursuant to section 2101.02 of the Revised Code as judges of the probate division of the Lorain County Court of Common Pleas."

In line 106538, after "1541.03," insert "2101.01, 2301.02, 2301.03,"

In line 58 of the title, after "1907.24," insert "2101.01, 2301.02, 2301.03,"

In line 425, delete "7.16,"

In line 428, delete "125.182, 125.183, 125.184,"

In line 455, delete "5721.012,"

Delete lines 518 through 529

Delete lines 12166 through 12259

Delete lines 82434 through 82441

In line 180 of the title, delete "7.16,"

In line 185 of the title, delete "125.182, 125.183, 125.184,"

In line 218 of the title, delete "5721.012,"

In line 293, after "9.03," insert "9.06,"

In line 406, after "5119.61," insert "5120.032, 5120.033,"

Between lines 590 and 591 insert:

"**Sec. 9.06.** (A)(1) The department of rehabilitation and correction ~~shall~~ may contract for the private operation and management pursuant to this section of the initial intensive program prison established pursuant to section 5120.033 of the Revised Code , if one or more intensive program prisons are established under that section, and may contract for the private operation and management of any other facility under this section. Counties and municipal corporations to the extent authorized in sections 307.93, 341.35, 753.03, and 753.15 of the Revised Code, may contract for the private operation and management of a facility under this section. A contract entered into under this section shall be for an initial term of not more than two years, with an option to renew for additional periods of two years.

(2) The department of rehabilitation and correction, by rule, shall adopt minimum criteria and specifications that a person or entity, other than a person or entity that satisfies the criteria set forth in division (A)(3)(a) of this section and subject to division (I) of this section, must satisfy in order to apply to operate and manage as a contractor pursuant to this section the initial intensive program prison established pursuant to section 5120.033 of the Revised Code , if one or more intensive program prisons are established under that section.

(3) Subject to division (I) of this section, any person or entity that applies to operate and manage a facility as a contractor pursuant to this section shall satisfy one or more of the following criteria:

(a) The person or entity is accredited by the American correctional association and, at the time of the application, operates and manages one or more facilities accredited by the American correctional association.

(b) The person or entity satisfies all of the minimum criteria and specifications adopted by the department of rehabilitation and correction pursuant to division (A)(2) of this section, provided that this alternative shall be available only in relation to the initial intensive program prison established pursuant to section 5120.033 of the Revised Code , if one or more intensive program prisons are established under that section.

(4) Subject to division (I) of this section, before a public entity may enter into a contract under this section, the contractor shall convincingly demonstrate to the public entity that it can operate the facility with the inmate capacity required by the public entity and provide the services required in this section and realize at least a five per cent savings over the projected cost to the public entity of providing these same services to operate the facility that is the subject of the contract. No out-of-state prisoners may be housed in any facility that is the subject of a contract entered into under this section.

(B) Subject to division (I) of this section, any contract entered into under this section shall include all of the following:

(1) A requirement that the contractor retain the contractor's accreditation from the American correctional association throughout the contract term or, if the contractor applied pursuant to division (A)(3)(b) of this section, continue complying with the applicable criteria and specifications adopted by the department of rehabilitation and correction pursuant to division (A)(2) of this section;

(2) A requirement that all of the following conditions be met:

(a) The contractor begins the process of accrediting the facility with the American correctional association no later than sixty days after the facility receives its first inmate.

(b) The contractor receives accreditation of the facility within twelve months after the date the contractor applies to the American correctional association for accreditation.

(c) Once the accreditation is received, the contractor maintains it for the duration of the contract term.

(d) If the contractor does not comply with divisions (B)(2)(a) to (c) of this section, the contractor is in violation of the contract, and the public entity may revoke the contract at its discretion.

(3) A requirement that the contractor comply with all rules promulgated by the department of rehabilitation and correction that apply to the operation and management of correctional facilities, including the minimum standards for jails in Ohio and policies regarding the use of force and the use of deadly force, although the public entity may require more stringent standards, and comply with any applicable laws, rules, or regulations of the federal, state, and local governments, including, but not limited to, sanitation, food service, safety, and health regulations. The contractor shall be required to send copies of reports of inspections completed by the appropriate authorities regarding compliance with rules and regulations to the director of rehabilitation and correction or the director's designee and, if contracting with a local public entity, to the governing authority of that entity.

(4) A requirement that the contractor report for investigation all crimes in connection with the facility to the public entity, to all local law enforcement agencies with jurisdiction over the place at which the facility is located, and, for a crime committed at a state correctional institution, to the state highway patrol;

(5) A requirement that the contractor immediately report all escapes from the facility, and the apprehension of all escapees, by telephone and in writing to all local law enforcement agencies with jurisdiction over the place at which the facility is located, to the prosecuting attorney of the county in which the facility is located, to the state highway patrol, to a daily newspaper having general circulation in the county in which the facility is located, and, if the facility is a

state correctional institution, to the department of rehabilitation and correction. The written notice may be by either facsimile transmission or mail. A failure to comply with this requirement regarding an escape is a violation of section 2921.22 of the Revised Code.

(6) A requirement that, if the facility is a state correctional institution, the contractor provide a written report within specified time limits to the director of rehabilitation and correction or the director's designee of all unusual incidents at the facility as defined in rules promulgated by the department of rehabilitation and correction or, if the facility is a local correctional institution, that the contractor provide a written report of all unusual incidents at the facility to the governing authority of the local public entity;

(7) A requirement that the contractor maintain proper control of inmates' personal funds pursuant to rules promulgated by the department of rehabilitation and correction, for state correctional institutions, or pursuant to the minimum standards for jails along with any additional standards established by the local public entity, for local correctional institutions, and that records pertaining to these funds be made available to representatives of the public entity for review or audit;

(8) A requirement that the contractor prepare and distribute to the director of rehabilitation and correction or, if contracting with a local public entity, to the governing authority of the local entity, annual budget income and expenditure statements and funding source financial reports;

(9) A requirement that the public entity appoint and supervise a full-time contract monitor, that the contractor provide suitable office space for the contract monitor at the facility, and that the contractor allow the contract monitor unrestricted access to all parts of the facility and all records of the facility except the contractor's financial records;

(10) A requirement that if the facility is a state correctional institution, designated department of rehabilitation and correction staff members be allowed access to the facility in accordance with rules promulgated by the department;

(11) A requirement that the contractor provide internal and perimeter security as agreed upon in the contract;

(12) If the facility is a state correctional institution, a requirement that the contractor impose discipline on inmates housed in a state correctional institution, only in accordance with rules promulgated by the department of rehabilitation and correction;

(13) A requirement that the facility be staffed at all times with a staffing pattern approved by the public entity and adequate both to ensure supervision of inmates and maintenance of security within the facility, and to provide for programs, transportation, security, and other operational needs. In determining security needs, the contractor shall be required to consider, among other things, the proximity of the facility to neighborhoods and schools.

(14) If the contract is with a local public entity, a requirement that the contractor provide services and programs, consistent with the minimum standards for jails promulgated by the department of rehabilitation and correction under section 5120.10 of the Revised Code;

(15) A clear statement that no immunity from liability granted to the state, and no immunity from liability granted to political subdivisions under Chapter 2744. of the Revised Code, shall extend to the contractor or any of the contractor's employees;

(16) A statement that all documents and records relevant to the facility shall be maintained in the same manner required for, and subject to the same laws, rules, and regulations as apply to, the records of the public entity;

(17) Authorization for the public entity to impose a fine on the contractor from a schedule of fines included in the contract for the contractor's failure to perform its contractual duties, or to cancel the contract, as the public entity considers appropriate. If a fine is imposed, the public entity may reduce the payment owed to the contractor pursuant to any invoice in the amount of the imposed fine.

(18) A statement that all services provided or goods produced at the facility shall be subject to the same regulations, and the same distribution limitations, as apply to goods and services produced at other correctional institutions;

(19) Authorization for the department to establish one or more prison industries at a facility operated and managed by a contractor for the department;

(20) A requirement that, if the facility is an intensive program prison established pursuant to section 5120.033 of the Revised Code, the facility shall comply with all criteria for intensive program prisons of that type that are set forth in that section;

(21) If the institution is a state correctional institution, a requirement that the contractor provide clothing for all inmates housed in the facility that is conspicuous in its color, style, or color and style, that conspicuously identifies its wearer as an inmate, and that is readily distinguishable from clothing of a nature that normally is worn outside the facility by non-inmates, that the contractor require all inmates housed in the facility to wear the clothing so provided, and that the contractor not permit any inmate, while inside or on the premises of the facility or while being transported to or from the facility, to wear any clothing of a nature that does not conspicuously identify its wearer as an inmate and that normally is worn outside the facility by non-inmates.

(C) No contract entered into under this section may require, authorize, or imply a delegation of the authority or responsibility of the public entity to a contractor for any of the following:

(1) Developing or implementing procedures for calculating inmate release and parole eligibility dates and recommending the granting or denying of

parole, although the contractor may submit written reports that have been prepared in the ordinary course of business;

(2) Developing or implementing procedures for calculating and awarding earned credits, approving the type of work inmates may perform and the wage or earned credits, if any, that may be awarded to inmates engaging in that work, and granting, denying, or revoking earned credits;

(3) For inmates serving a term imposed for a felony offense committed prior to July 1, 1996, or for a misdemeanor offense, developing or implementing procedures for calculating and awarding good time, approving the good time, if any, that may be awarded to inmates engaging in work, and granting, denying, or revoking good time;

(4) For inmates serving a term imposed for a felony offense committed on or after July 1, 1996, extending an inmate's term pursuant to the provisions of law governing bad time;

(5) Classifying an inmate or placing an inmate in a more or a less restrictive custody than the custody ordered by the public entity;

(6) Approving inmates for work release;

(7) Contracting for local or long distance telephone services for inmates or receiving commissions from those services at a facility that is owned by or operated under a contract with the department.

(D) A contractor that has been approved to operate a facility under this section, and a person or entity that enters into a contract for specialized services, as described in division (I) of this section, relative to an intensive program prison established pursuant to section 5120.033 of the Revised Code to be operated by a contractor that has been approved to operate the prison under this section, shall provide an adequate policy of insurance specifically including, but not limited to, insurance for civil rights claims as determined by a risk management or actuarial firm with demonstrated experience in public liability for state governments. The insurance policy shall provide that the state, including all state agencies, and all political subdivisions of the state with jurisdiction over the facility or in which a facility is located are named as insured, and that the state and its political subdivisions shall be sent any notice of cancellation. The contractor may not self-insure.

A contractor that has been approved to operate a facility under this section, and a person or entity that enters into a contract for specialized services, as described in division (I) of this section, relative to an intensive program prison established pursuant to section 5120.033 of the Revised Code to be operated by a contractor that has been approved to operate the prison under this section, shall indemnify and hold harmless the state, its officers, agents, and employees, and any local government entity in the state having jurisdiction over the facility or ownership of the facility, shall reimburse the state for its costs in defending the state or any of its officers, agents, or employees, and shall reimburse any local

government entity of that nature for its costs in defending the local government entity, from all of the following:

(1) Any claims or losses for services rendered by the contractor, person, or entity performing or supplying services in connection with the performance of the contract;

(2) Any failure of the contractor, person, or entity or its officers or employees to adhere to the laws, rules, regulations, or terms agreed to in the contract;

(3) Any constitutional, federal, state, or civil rights claim brought against the state related to the facility operated and managed by the contractor;

(4) Any claims, losses, demands, or causes of action arising out of the contractor's, person's, or entity's activities in this state;

(5) Any attorney's fees or court costs arising from any habeas corpus actions or other inmate suits that may arise from any event that occurred at the facility or was a result of such an event, or arise over the conditions, management, or operation of the facility, which fees and costs shall include, but not be limited to, attorney's fees for the state's representation and for any court-appointed representation of any inmate, and the costs of any special judge who may be appointed to hear those actions or suits.

(E) Private correctional officers of a contractor operating and managing a facility pursuant to a contract entered into under this section may carry and use firearms in the course of their employment only after being certified as satisfactorily completing an approved training program as described in division (A) of section 109.78 of the Revised Code.

(F) Upon notification by the contractor of an escape from, or of a disturbance at, the facility that is the subject of a contract entered into under this section, the department of rehabilitation and correction and state and local law enforcement agencies shall use all reasonable means to recapture escapees or quell any disturbance. Any cost incurred by the state or its political subdivisions relating to the apprehension of an escapee or the quelling of a disturbance at the facility shall be chargeable to and borne by the contractor. The contractor shall also reimburse the state or its political subdivisions for all reasonable costs incurred relating to the temporary detention of the escapee following recapture.

(G) Any offense that would be a crime if committed at a state correctional institution or jail, workhouse, prison, or other correctional facility shall be a crime if committed by or with regard to inmates at facilities operated pursuant to a contract entered into under this section.

(H) A contractor operating and managing a facility pursuant to a contract entered into under this section shall pay any inmate workers at the facility at the rate approved by the public entity. Inmates working at the facility shall not be considered employees of the contractor.

(I) In contracting for the private operation and management pursuant to division (A) of this section of ~~the initial~~ any intensive program prison established pursuant to section 5120.033 of the Revised Code ~~or of any other intensive program prison established pursuant to that section~~, the department of rehabilitation and correction may enter into a contract with a contractor for the general operation and management of the prison and may enter into one or more separate contracts with other persons or entities for the provision of specialized services for persons confined in the prison, including, but not limited to, security or training services or medical, counseling, educational, or similar treatment programs. If, pursuant to this division, the department enters into a contract with a contractor for the general operation and management of the prison and also enters into one or more specialized service contracts with other persons or entities, all of the following apply:

(1) The contract for the general operation and management shall comply with all requirements and criteria set forth in this section, and all provisions of this section apply in relation to the prison operated and managed pursuant to the contract.

(2) Divisions (A)(2), (B), and (C) of this section do not apply in relation to any specialized services contract, except to the extent that the provisions of those divisions clearly are relevant to the specialized services to be provided under the specialized services contract. Division (D) of this section applies in relation to each specialized services contract.

(J) As used in this section:

(1) "Public entity" means the department of rehabilitation and correction, or a county or municipal corporation or a combination of counties and municipal corporations, that has jurisdiction over a facility that is the subject of a contract entered into under this section.

(2) "Local public entity" means a county or municipal corporation, or a combination of counties and municipal corporations, that has jurisdiction over a jail, workhouse, or other correctional facility used only for misdemeanants that is the subject of a contract entered into under this section.

(3) "Governing authority of a local public entity" means, for a county, the board of county commissioners; for a municipal corporation, the legislative authority; for a combination of counties and municipal ~~corporation~~ corporations, all the boards of county commissioners and municipal legislative authorities that joined to create the facility.

(4) "Contractor" means a person or entity that enters into a contract under this section to operate and manage a jail, workhouse, or other correctional facility.

(5) "Facility" means the specific county, multicounty, municipal, municipal-county, or multicounty-municipal jail, workhouse, prison, or other type of correctional institution or facility used only for misdemeanants, or a state

correctional institution, that is the subject of a contract entered into under this section.

(6) "Person or entity" in the case of a contract for the private operation and management of a state correctional institution, includes an employee organization, as defined in section 4117.01 of the Revised Code, that represents employees at state correctional institutions."

Between lines 78675 and 78676 insert:

"**Sec. 5120.032.** (A) No later than January 1, 1998, the department of rehabilitation and correction ~~shall~~ may develop and implement intensive program prisons for male and female prisoners other than prisoners described in division (B)(2) of this section. The intensive program prisons , if developed and implemented, shall include institutions at which imprisonment of the type described in division (B)(2)(a) of section 5120.031 of the Revised Code is provided and prisons that focus on educational achievement, vocational training, alcohol and other drug abuse treatment, community service and conservation work, and other intensive regimens or combinations of intensive regimens.

(B)(1)(a) Except as provided in division (B)(2) of this section, if one or more intensive program prisons are established under this section, if an offender is sentenced to a term of imprisonment under the custody of the department, if the sentencing court either recommends the prisoner for placement in ~~the~~ an intensive program prison under this section or makes no recommendation on placement of the prisoner, and if the department determines that the prisoner is eligible for placement in an intensive program prison under this section, the department may place the prisoner in an intensive program prison established pursuant to division (A) of this section. If the sentencing court disapproves placement of the prisoner in an intensive program prison, the department shall not place the prisoner in any intensive program prison.

If the sentencing court recommends a prisoner for placement in an intensive program prison and if the department subsequently places the prisoner in the recommended prison, the department shall notify the court of the prisoner's placement in the recommended intensive program prison and shall include with the notice a brief description of the placement.

If the sentencing court recommends placement of a prisoner in an intensive program prison and the department for any reason does not subsequently place the prisoner in the recommended prison, the department shall send a notice to the court indicating why the prisoner was not placed in the recommended prison.

If the sentencing court does not make a recommendation on the placement of a prisoner in an intensive program prison and if the department determines that the prisoner is eligible for placement in a prison of that nature, the department shall screen the prisoner and determine if the prisoner is suited for the prison. If the prisoner is suited for ~~the~~ an intensive program prison, at least three weeks prior to placing the prisoner in the prison, the department shall

notify the sentencing court of the proposed placement of the prisoner in the intensive program prison and shall include with the notice a brief description of the placement. The court shall have ten days from receipt of the notice to disapprove the placement. If the sentencing court disapproves the placement, the department shall not proceed with it. If the sentencing court does not timely disapprove of the placement, the department may proceed with plans for it.

If the department determines that a prisoner is not eligible for placement in an intensive program prison, the department shall not place the prisoner in any intensive program prison.

(b) The department may reduce the stated prison term of a prisoner upon the prisoner's successful completion of a ninety-day period in an intensive program prison. A prisoner whose term has been so reduced shall be required to serve an intermediate, transitional type of detention followed by a release under post-release control sanctions or, in the alternative, shall be placed under post-release control sanctions, as described in division (B)(2)(b)(ii) of section 5120.031 of the Revised Code. In either case, the placement under post-release control sanctions shall be under terms set by the parole board in accordance with section 2967.28 of the Revised Code and shall be subject to the provisions of that section and section 2929.141 of the Revised Code with respect to a violation of any post-release control sanction.

(2) A prisoner who is in any of the following categories is not eligible to participate in an intensive program prison established pursuant to division (A) of this section:

(a) The prisoner is serving a prison term for aggravated murder, murder, or a felony of the first or second degree or a comparable offense under the law in effect prior to July 1, 1996, or the prisoner previously has been imprisoned for aggravated murder, murder, or a felony of the first or second degree or a comparable offense under the law in effect prior to July 1, 1996.

(b) The prisoner is serving a mandatory prison term, as defined in section 2929.01 of the Revised Code.

(c) The prisoner is serving a prison term for a felony of the third, fourth, or fifth degree that either is a sex offense, an offense betraying public trust, or an offense in which the prisoner caused or attempted to cause actual physical harm to a person, the prisoner is serving a prison term for a comparable offense under the law in effect prior to July 1, 1996, or the prisoner previously has been imprisoned for an offense of that type or a comparable offense under the law in effect prior to July 1, 1996.

(d) The prisoner is serving a mandatory prison term in prison for a third or fourth degree felony OVI offense, as defined in section 2929.01 of the Revised Code, that was imposed pursuant to division (G)(2) of section 2929.13 of the Revised Code.

(C) Upon the implementation of intensive program prisons pursuant to division (A) of this section, the department at all times shall maintain intensive

program prisons sufficient in number to reduce the prison terms of at least three hundred fifty prisoners who are eligible for reduction of their stated prison terms as a result of their completion of a regimen in an intensive program prison under this section.

Sec. 5120.033. (A) As used in this section, "third degree felony OVI offense" and "fourth degree felony OVI offense" have the same meanings as in section 2929.01 of the Revised Code.

(B) Within eighteen months after October 17, 1996, the department of rehabilitation and correction ~~shall~~ may develop and implement intensive program prisons for male and female prisoners who are sentenced pursuant to division (G)(2) of section 2929.13 of the Revised Code to a mandatory prison term for a third or fourth degree felony OVI offense. ~~The~~ If one or more intensive program prisons are established under this section, the department ~~shall~~ may contract pursuant to section 9.06 of the Revised Code for the private operation and management of the initial intensive program prison established under this section and may contract pursuant to that section for the private operation and management of any other intensive program prison established under this section. The intensive program prisons , if established under this section , shall include prisons that focus on educational achievement, vocational training, alcohol and other drug abuse treatment, community service and conservation work, and other intensive regimens or combinations of intensive regimens.

(C) Except as provided in division (D) of this section, the department may place a prisoner who is sentenced to a mandatory prison term for a third or fourth degree felony OVI offense in an intensive program prison established pursuant to division (B) of this section if the sentencing judge, upon notification by the department of its intent to place the prisoner in an intensive program prison, does not notify the department that the judge disapproves the placement. If the stated prison term imposed on a prisoner who is so placed is longer than the mandatory prison term that is required to be imposed on the prisoner, the department may reduce the stated prison term upon the prisoner's successful completion of the prisoner's mandatory prison term in an intensive program prison. A prisoner whose term has been so reduced shall be required to serve an intermediate, transitional type of detention followed by a release under post-release control sanctions or, in the alternative, shall be placed under post-release control sanctions, as described in division (B)(2)(b)(ii) of section 5120.031 of the Revised Code. In either case, the placement under post-release control sanctions shall be under terms set by the parole board in accordance with section 2967.28 of the Revised Code and shall be subject to the provisions of that section and section 2929.141 of the Revised Code with respect to a violation of any post-release control sanction. ~~Upon the establishment of the initial~~ If one or more intensive program ~~prison~~ prisons are established pursuant to division (B) of this section ~~that is~~ and if as described in that division the initial intensive program prison is to be privately operated and managed by a contractor pursuant to a contract the department entered into under section 9.06 of the Revised Code,

upon the establishment of that initial intensive program prison the department shall comply with divisions (G)(2)(a) and (b) of section 2929.13 of the Revised Code in placing prisoners in intensive program prisons under this section.

(D) A prisoner who is sentenced to a mandatory prison term for a third or fourth degree felony OVI offense is not eligible to participate in an intensive program prison established under division (B) of this section if any of the following applies regarding the prisoner:

(1) In addition to the mandatory prison term for the third or fourth degree felony OVI offense, the prisoner also is serving a prison term of a type described in division (B)(2)(a), (b), or (c) of section 5120.032 of the Revised Code.

(2) The prisoner previously has been imprisoned for an offense of a type described in division (B)(2)(a) or (c) of section 5120.032 of the Revised Code or a comparable offense under the law in effect prior to July 1, 1996.

(E) Intensive program prisons established under division (B) of this section are not subject to section 5120.032 of the Revised Code."

In line 90795, after "9.03," insert "9.06,"

In line 90909, after "5119.61," insert "5120.032, 5120.033,"

In line 1 of the title, after "9.03," insert "9.06,"

In line 155 of the title, after "5119.61," insert "5120.032, 5120.033,"

In line 62947, after the period, insert " A person who registers a vehicle under division (A)(1)(a)(ii) of this section shall pay for each year of registration the additional fee established under division (C)(1) of section 4503.10 of the Revised Code. The person also shall pay one single deputy registrar service fee in the amount specified in division (D) of section 4503.10 of the Revised Code or one single bureau of motor vehicles service fee in the amount specified in division (G) of that section, as applicable, regardless of the number of years for which the person is registering."

Between lines 91580 and 91581, insert:

"**Section 207.__.__.** GRF TRANSFER TO STATE EQUAL EMPLOYMENT OPPORTUNITY FUND

On July 1 of each fiscal year, or as soon as possible thereafter, the Director of Budget and Management shall transfer $500,000 cash from the General Revenue Fund to the State Equal Employment Opportunity Fund (Fund 1880) used by the Department of Administrative Services."

In line 355, delete "3503.15,"

Delete lines 46980 through 47108

In line 90857, delete "3503.15,"

In line 85 of the title, delete "3503.15,"

In line 294, delete "101.35,"; delete "103.0511,"

In line 296, delete "111.15,"; delete "117.20,"

In line 297, delete "119.03,"

In line 298, delete "121.39,"

In line 299, delete "122.08, 122.081,"

In line 300, delete "122.94,"

In line 332, delete "1710.02,"

Delete line 426

In line 427, delete "121.256, 121.257,"

In line 428, delete "124.95,"

Delete lines 790 through 858

Delete lines 1347 through 1372

Delete lines 3678 through 3875

Delete lines 4286 through 4341

Delete lines 4541 through 4933

Delete lines 5391 through 5395

Delete lines 5473 through 5676

Delete lines 6220 through 6347

Delete lines 6705 through 6843

Delete lines 8549 through 8563

Delete lines 9040 through 9042

Delete lines 11971 through 11989

Delete lines 26875 through 27041

In line 90796, delete "101.35,"; delete "103.0511,"

In line 90798, delete "111.15,"; delete "117.20,"

In line 90799, delete "119.03,"

In line 90800, delete "121.39,"

In line 90801, delete "122.08, 122.081,"

In line 90802, delete "122.94,"

In line 90834, delete "1710.02,"

In line 90933, delete "119.031, 121.24,"

Delete lines 105267 through 105270

Delete lines 106509 and 106510

In line 1 of the title, delete "101.35,"

In line 2 of the title, delete "103.0511,"

In line 5 of the title, delete "111.15,"; delete "117.20,"

In line 6 of the title, delete "119.03,"

In line 7 of the title, delete "121.39,"

In line 8 of the title, delete "122.08,"

In line 9 of the title, delete "122.081,"

In line 10 of the title, delete "122.94,"

In line 53 of the title, delete "1710.02,"

In line 181 of the title, delete "121.021,"

Delete line 182 of the title

In line 183 of the title, delete "121.255, 121.256, 121.257,"

In line 184 of the title, delete "124.95,"

In line 221 of the title, delete "119.031, 121.24,"

Delete lines 87912 through 87923

In line 87924, delete " (gg)" and insert " (ff)"

Delete lines 106382 through 106389

In line 19278, delete all after " (D)(1)"

In line 19279, delete " may, by resolution, authorize the use of money in" and insert " In any county, if the county treasurer or prosecuting attorney determines that the amount appropriated to the office from"

In line 19280, after " fund" insert " under division (A) of this section exceeds the amount required to be used as prescribed by that division, the county treasurer or prosecuting attorney may expend the excess"

In line 19286, delete " board" and insert " the county treasurer or prosecuting attorney"

In line 19288, delete " board" and insert " the county treasurer or prosecuting attorney"

In line 19298, delete " board of county commissioners" and insert " the county treasurer, prosecuting attorney,"

In line 360, after "3707.26," insert "3709.09,"

In line 365, after "3718.03," insert "3718.06,"; after "3717.33," insert "3717.43, 3717.45,"

In line 369, after "3727.02," insert "3729.07,"; after "3733.02," insert "3733.04, 3733.25,"

In line 371, after "3745.31," insert "3749.04,"

In line 444, after "3705.031," insert "3709.092,"

In line 47606, strike through "city or general health district" and insert " board of health"; strike through "returned" and insert " transmitted"

In line 47607, strike through "department" and insert " director"; after "health" insert " pursuant to section 3709.092 of the Revised Code"

In line 47608, strike through "collected" and insert " received"

Between lines 50264 and 50265, insert:

"**Sec. 3709.09.** (A) The board of health of a city or general health district may, by rule, establish a uniform system of fees to pay the costs of any services provided by the board.

The fee for issuance of a certified copy of a vital record or a certification of birth shall not be less than the fee prescribed for the same service under division (A)(1) of section 3705.24 of the Revised Code and shall include the fees required by division (B) of section 3705.24 and section 3109.14 of the Revised Code.

Fees for services provided by the board for purposes specified in sections 3701.344, 3711.10, 3718.06, 3729.07, 3730.03, 3733.04, 3733.25, and 3749.04 of the Revised Code shall be established in accordance with rules adopted under division (B) of this section. The district advisory council, in the case of a general health district, and the legislative authority of the city, in the case of a city health district, may disapprove any fee established by the board of health under this division, and any such fee, as disapproved, shall not be charged by the board of health.

(B) The public health council shall adopt rules under section 111.15 of the Revised Code that establish fee categories and a uniform ~~methodologies~~ methodology for use in calculating the costs of services provided for purposes specified in sections 3701.344, 3711.10, 3718.06, 3729.07, 3730.03, 3733.04, 3733.25, and 3749.04 of the Revised Code. In adopting the rules, the public health council shall consider recommendations it receives from advisory boards established either by statute or the director of health for entities subject to the fees.

(C) ~~At least thirty days prior to establishing a~~ Except when a board of health establishes a fee by adopting a rule as an emergency measure, the board of health shall hold a public hearing regarding each proposed fee for a service provided by the board for a purpose specified in section 3701.344, 3711.10,

3718.06, 3729.07, 3730.03, 3733.04, 3733.25, or 3749.04 of the Revised Code ~~; a board of health shall notify any entity that would be affected by the proposed fee of the amount of the proposed fee~~. If a public hearing is held, at least twenty days prior to the public hearing the board shall give written notice of the hearing to each entity affected by the proposed fee. The notice shall be mailed to the last known address of each entity and shall specify the date, time, and place of the hearing and the amount of the proposed fee.

(D) If payment of a fee established under this section is not received by the day on which payment is due, the board of health shall assess a penalty. The amount of the penalty shall be equal to twenty-five per cent of the applicable fee.

(E) All rules adopted by a board of health under this section shall be adopted, recorded, and certified as are ordinances of municipal corporations and the record thereof shall be given in all courts the same effect as is given such ordinances, but the advertisements of such rules shall be by publication in one newspaper of general circulation within the health district. Publication shall be made once a week for two consecutive weeks and such rules shall take effect and be in force ten days from the date of the first publication.

Sec. 3709.092. (A) A board of health of a city or general health district shall transmit to the director of health all fees or additional amounts that the public health council requires to be collected under sections 3701.344, 3718.06, 3729.07, 3733.04, 3733.25, and 3749.04 of the Revised Code. The fees and amounts shall be transmitted according to the following schedule:

(1) For fees and amounts received by the board on or after the first day of January but not later than the thirty-first day of March, transmit the fees and amounts not later than the fifteenth day of May;

(2) For fees and amounts received by the board on or after the first day of April but not later than the thirtieth day of June, transmit the fees and amounts not later than the fifteenth day of August;

(3) For fees and amounts received by the board on or after the first day of July but not later than the thirtieth day of September, transmit the fees and amounts not later than the fifteenth day of November;

(4) For fees and amounts received by the board on or after the first day of October but not later than the thirty-first day of December, transmit the fees and amounts not later than the fifteenth day of February of the following year.

(B) The director shall deposit the fees and amounts received under this section into the state treasury to the credit of the general operations fund created in section 3701.83 of the Revised Code. Each amount shall be used solely for the purpose for which it was collected."

In line 51448, after "establishing" insert " a"; strike through "methodologies" and insert " methodology"

In line 51450, after "and" insert " a uniform methodology for use in calculating"

In line 51903, after "penalty" insert " if the licensor charges a license renewal fee"

In line 51904, strike through "the lesser of fifty dollars or"

In line 51905, strike through ", if the licensor"

In line 51906, strike through "charges renewal fees"

In line 51954, strike through "At least thirty days prior to establishing" and insert " Except when"; after "fee" insert " is established as an emergency measure"

In line 51956, strike through "thirty" and insert " twenty"; strike through the first "the" and insert " holding a"

In line 51978, after "(C)" insert " (1)"

In line 51987, after "amounts" insert " to be"; strike through "under this division"

Strike through line 51988

In line 51989, strike through "which a license is issued, the" and insert:

" (2) A"

In line 51990, strike through "this"; after "division" insert " (C)(1) of this section"

In line 51991, strike through ". All" and insert " according to the following schedule:

(a) For amounts received by the licensor on or after the first day of January but not later than the thirty-first day of March, transmit the amounts not later than the fifteenth day of May;

(b) For amounts received by the licensor on or after the first day of April but not later than the thirtieth day of June, transmit the amounts not later than the fifteenth day of August;

(c) For amounts received by the licensor on or after the first day of July but not later than the thirtieth day of September, transmit the amounts not later than the fifteenth day of November;

(d) For amounts received by the licensor on or after the first day of October but not later than the thirty-first day of December, transmit the amounts not later than the fifteenth day of February of the following year.

(3) All"; after "received" insert " under division (C)(2) of this section"

In line 51994, reinsert "the"; delete " those"

In line 51997, before "When" insert " (4)"

In line 51998, strike through "this"; after "division" insert " (C)(1) of this

section"

In line 52003, strike through "this"; after "division" insert " (C)(3) of this section"

Between lines 52341 and 52342, insert:

"**Sec. 3717.43.** (A) Each person or government entity requesting a food service operation license or the renewal of a license shall apply to the appropriate licensor on a form provided by the licensor. Licensors shall use a form prescribed and furnished to the licensor by the director of health or a form prescribed by the licensor that has been approved by the director. The applicant shall include with the application all information necessary for the licensor to process the application, as requested by the licensor.

An application for a food service operation license, other than an application for a mobile or catering food service operation license, shall be submitted to the licensor for the health district in which the food service operation is located. An application for a mobile food service operation license shall be submitted to the licensor for the health district in which the applicant's business headquarters are located, or, if the headquarters are located outside this state, to the licensor for the district where the applicant will first operate in this state. An application for a catering food service operation license shall be submitted to the licensor for the district where the applicant's base of operation is located.

(B) The licensor shall review all applications received. The licensor shall issue a license for a new food service operation when the applicant submits a complete application and the licensor determines that the applicant meets all other requirements of this chapter and the rules adopted under it for receiving the license. The licensor shall issue a renewed license on receipt of a complete renewal application.

The licensor shall issue licenses for food service operations on forms prescribed and furnished by the director of health. If the license is for a mobile food service operation, the licensor shall post the operation's layout, equipment, and menu on the back of the license.

A mobile or catering food service operation license issued by one licensor shall be recognized by all other licensors in this state.

(C)(1) A food service operation license expires at the end of the licensing period for which the license is issued, except as follows:

(a) A license issued to a new food service operation after the first day of December shall not expire until the end of the licensing period next succeeding issuance of the license.

(b) A temporary food service operation license expires at the end of the period for which it is issued.

(2) All food service operation licenses remain valid until they are

scheduled to expire unless earlier suspended or revoked under section 3717.49 of the Revised Code.

(D) A food service operation license may be renewed, except that a temporary food service operation license is not renewable. A person or government entity seeking license renewal shall submit an application for renewal to the licensor not later than the first day of March, except that in the case of a mobile or seasonal food service operation the renewal application shall be submitted before commencing operation in a new licensing period. A licensor may renew a license prior to the first day of March or the first day of operation in a new licensing period, but not before the first day of February immediately preceding the licensing period for which the license is being renewed.

If a renewal application is not filed with the licensor or postmarked on or before the first day of March or, in the case of a mobile or seasonal food service operation, the first day of operation in a new licensing period, the licensor shall assess a penalty if the licensor charges a license renewal fee. The amount of the penalty shall be ~~the lesser of fifty dollars or~~ twenty-five per cent of the renewal fee ~~charged for renewing licenses, if the licensor charges renewal fees~~. If an applicant is subject to a penalty, the licensor shall not renew the license until the applicant pays the penalty.

(E)(1) A licensor may issue not more than ten temporary food service operation licenses per licensing period to the same person or government entity to operate at different events within the licensor's jurisdiction. For each particular event, a licensor may issue only one temporary food service operation license to the same person or government entity.

(2) A licensor may issue a temporary food service operation license to operate for more than five consecutive days if both of the following apply:

(a) The operation will be operated at an event organized by a county agricultural society or independent agricultural society organized under Chapter 1711. of the Revised Code;

(b) The person who will receive the license is a resident of the county or one of the counties for which the agricultural society was organized.

(3) A person may be granted only one temporary food service operation license per licensing period pursuant to division (E)(2) of this section.

(F) The licensor may place restrictions or conditions on a food service operation license limiting the types of food that may be prepared or served by the food service operation based on the equipment or facilities of the food service operation. Limitations pertaining to a mobile or catering food service operation shall be posted on the back of the license.

(G) The person or government entity holding a license for a food service operation shall display the license for that food service operation at all times at the licensed location. A person or government entity holding a catering food service operation license shall also maintain a copy of the license at each catered

event.

(H) With the assistance of the department of health, the licensor, to the extent practicable, shall computerize the process for licensing food service operations.

Sec. 3717.45. (A) A licensor may charge fees for issuing and renewing food service operation licenses. Any licensing fee charged shall be used solely for the administration and enforcement of the provisions of this chapter and the rules adopted under it applicable to food service operations.

Any licensing fee charged under this section shall be based on the licensor's costs of regulating food service operations, as determined according to the uniform ~~methodologies~~ methodology established under section 3717.07 of the Revised Code. If the licensor is a board of health, a fee may be disapproved by the district advisory council in the case of a general health district or the legislative authority of the city in the case of a city health district. A disapproved fee shall not be charged by the board of health.

~~At least thirty days prior to establishing~~ Except when a licensing fee is established as an emergency measure, the licensor shall hold a public hearing regarding the proposed fee. At least ~~thirty~~ twenty days prior to ~~the~~ holding a public hearing, the licensor shall give written notice of the hearing to each person or government entity holding a food service operation license that may be affected by the proposed fee. The notice shall be mailed to the last known address of the licensee and shall specify the date, time, and place of the hearing and the amount of the proposed fee. On request, the licensor shall provide the completed uniform methodology used in the calculation of the licensor's costs and the proposed fee.

(B) In addition to licensing fees, a licensor may charge fees for the following:

(1) Review of facility layout and equipment specifications pertaining to food service operations, other than mobile and temporary food service operations, or similar reviews conducted for vending machine locations;

(2) Any necessary collection and bacteriological examination of samples from food service operations, or similar services specified in rules adopted under this chapter by the public health council;

(3) Attendance at a course of study offered by the licensor in food protection as it pertains to food service operations, if the course is approved under section 3717.09 of the Revised Code.

(C) (1) The public health council may determine by rule an amount to be collected from applicants for food service operation licenses for use by the director of health in administering and enforcing the provisions of this chapter and the rules adopted under it applicable to food service operations. Licensors shall collect the amount prior to issuing an applicant's new or renewed license. If a licensing fee is charged under this section, the licensor shall collect the amount

at the same time the fee is collected. Licensors are not required to provide notice or hold public hearings regarding amounts to be collected ~~under this division~~.

~~Not later than sixty days after the last day of the month in which a license is issued, the~~

(2) A licensor shall certify the amount collected under ~~this~~ division (C)(1) of this section and transmit the amount to the treasurer of state ~~. All~~ according to the following schedule:

(a) For amounts received by the licensor on or after the first day of January but not later than the thirty-first day of March, transmit the amounts not later than the fifteenth day of May;

(b) For amounts received by the licensor on or after the first day of April but not later than the thirtieth day of June, transmit the amounts not later than the fifteenth day of August;

(c) For amounts received by the licensor on or after the first day of July but not later than the thirtieth day of September, transmit the amounts not later than the fifteenth day of November;

(d) For amounts received by the licensor on or after the first day of October but not later than the thirty-first day of December, transmit the amounts not later than the fifteenth day of February of the following year.

(3) All amounts received under division (C)(2) of this section shall be deposited into the general operations fund created in section 3701.83 of the Revised Code. The director shall use the amounts solely for the administration and enforcement of the provisions of this chapter and the rules adopted under it applicable to food service operations.

(4) The director may submit recommendations to the public health council regarding the amounts collected under ~~this~~ division (C)(1) of this section. When making recommendations, the director shall submit a report stating the current and projected expenses of administering and enforcing the provisions of this chapter and the rules adopted under it applicable to food service operations and the total of all amounts that have been deposited in the general operations fund pursuant to ~~this~~ division (C)(3) of this section. The director may include in the report any recommendations for modifying the department's administration and enforcement of the provisions of this chapter and the rules adopted under it applicable to food service operations."

Between lines 52474 and 52475, insert:

"**Sec. 3718.06.** (A)(1) A board of health shall establish fees in accordance with section 3709.09 of the Revised Code for the purpose of carrying out its duties under this chapter and rules adopted under it, including a fee for an installation permit issued by the board. All fees so established and collected by the board shall be deposited in a special fund of the district to be used exclusively by the board in carrying out those duties.

(2) In accordance with Chapter 119. of the Revised Code, the public health council may establish by rule a fee to be collected from applicants for installation permits issued under rules adopted under this chapter. The director of health shall use the proceeds from that fee for administering and enforcing this chapter and the rules adopted under it by the council. A board of health shall collect and transmit the fee ~~at the same time that it collects the fee established by it under division (A)(1) of this section for installation permits~~.

~~Not later than sixty days after the last day of the month in which an installation permit is issued, a board shall certify the amount collected under division (A)(2) of this section and transmit the amount to the treasurer of state. All money so received shall be deposited in the state treasury to the credit of the general operations fund created in section 3701.83 of the Revised Code~~ to the director pursuant to section 3709.092 of the Revised Code. The director shall use the money so credited solely for the administration and enforcement of this chapter and the rules adopted under it by the public health council.

(B) The director may submit recommendations to the council regarding the amount of the fee collected under division (A)(2) of this section for installation permits. When making the recommendations, the director shall submit a report stating the current and projected expenses of administering and enforcing this chapter and the rules adopted under it by the council and the total of all money that has been deposited to the credit of the general operations fund under division (A)(2) of this section. The director may include in the report any recommendations for modifying the requirements established under this chapter and the rules adopted under it by the council."

Between lines 54071 and 54072, insert:

"**Sec. 3729.07.** The licensor of a recreational vehicle park, recreation camp, or combined park-camp may charge a fee for an annual license to operate such a park, camp, or park-camp. In the case of a temporary park-camp, the licensor may charge a fee for a license to operate the temporary park-camp for the period specified in division (A) of section 3729.05 of the Revised Code. The fees for both types of licenses shall be determined in accordance with section 3709.09 of the Revised Code and shall include the cost of licensing and all inspections.

Except for the fee for a temporary park-camp license, the fee also shall include any additional amount determined by rule of the public health council, which shall be collected and transmitted by the board of health to the ~~treasurer of state to be credited to the general operations fund created in section 3701.83 of the Revised Code~~ director of health pursuant to section 3709.092 of the Revised Code and used only for the purpose of administering and enforcing this chapter and rules adopted under it. The portion of any fee retained by the board of health shall be paid into a special fund and used only for the purpose of administering and enforcing this chapter and rules adopted under it."

Between lines 54116 and 54117, insert:

"**Sec. 3733.04.** The licensor of a manufactured home park may charge a fee for an annual license to operate such a park. The fee for a license shall be determined in accordance with section 3709.09 of the Revised Code and shall include the cost of licensing and all inspections.

The fee also shall include any additional amount determined by rule of the public health council, which shall be collected and transmitted by the board of health to the ~~treasurer of state to be credited to the general operations fund created in section 3701.83 of the Revised Code~~ director of health pursuant to section 3709.092 of the Revised Code and used only for the purpose of administering and enforcing sections 3733.01 to 3733.08 of the Revised Code and the rules adopted under those sections. The portion of any fee retained by the board of health shall be paid into a special fund and used only for the purpose of administering and enforcing sections 3733.01 to 3733.08 of the Revised Code and the rules adopted thereunder.

Sec. 3733.25. Any fee for the license required by section 3733.24 of the Revised Code shall be determined in accordance with section 3709.09 of the Revised Code. The license fee shall include any additional amount determined by rule of the public health council, which shall be collected and transmitted by the board of health ~~district~~ to the director of health ~~for deposit in the state treasury to the credit of the general operations fund created in section 3701.83 of the Revised Code~~ pursuant to section 3709.092 of the Revised Code and shall be used by the director to administer and enforce sections 3733.21 to 3733.30 of the Revised Code and rules adopted thereunder. The portion of any fee retained by the health district shall be paid into a special fund which is hereby created in each health district and shall be used only by the board for the purpose of administering and enforcing sections 3733.21 to 3733.30 of the Revised Code and the rules adopted thereunder. The health district may charge additional reasonable fees for the collection and bacteriological examination of any necessary water samples taken from a marina."

Between lines 57468 and 57469, insert:

"**Sec. 3749.04.** (A) No person shall operate or maintain a public swimming pool, public spa, or special-use pool without a license issued by the licensor having jurisdiction.

(B) Every person who intends to operate or maintain an existing public swimming pool, public spa, or special-use pool shall, during the month of April of each year, apply to the licensor having jurisdiction for a license to operate the pool or spa. Any person proposing to operate or maintain a new or otherwise unlicensed public swimming pool, public spa, or special-use pool shall apply to the licensor having jurisdiction at least thirty days prior to the intended start of operation of the pool or spa. Within thirty days of receipt of an application for licensure of a public swimming pool, public spa, or special-use pool, the licensor shall process the application and either issue a license or otherwise respond to the applicant regarding the application.

(C) Each license issued shall be effective from the date of issuance until the last day of May of the following year.

(D) Each licensor administering and enforcing sections 3749.01 to 3749.09 of the Revised Code and the rules adopted thereunder may establish licensing and inspection fees in accordance with section 3709.09 of the Revised Code, which shall not exceed the cost of licensing and inspecting public swimming pools, public spas, and special-use pools.

(E) Except as provided in division (F) of this section and in division (B) of section 3749.07 of the Revised Code, all license fees collected by a licensor shall be deposited into a swimming pool fund, which is hereby created in each health district. The fees shall be used by the licensor solely for the purpose of administering and enforcing this chapter and the rules adopted under this chapter.

(F) An annual license fee established under division (D) of this section shall include any additional amount determined by rule of the public health council, which the ~~licensor~~ board of health shall collect and transmit to the ~~treasurer of state to be deposited in the general operations fund created by section 3701.83 of the Revised Code~~ director of health pursuant to section 3709.092 of the Revised Code. The amounts collected under this division shall be administered by the director of health and shall be used solely for the administration and enforcement of this chapter and the rules adopted under this chapter."

In line 90862, after "3707.26," insert "3709.09,"

In line 90867, after "3718.03," insert "3718.06,"; after "3717.33," insert "3717.43, 3717.45,"

In line 90871, after "3727.02," insert "3729.07,"; after "3733.02," insert "3733.04, 3733.25,"

In line 90873, after "3745.31," insert "3749.04,"

In line 92 of the title, after "3707.26," insert "3709.09,"

In line 99 of the title, after "3718.03," insert "3718.06,"; after "3717.33," insert "3717.43, 3717.45,"

In line 104 of the title, after "3727.02," insert "3729.07,"; after "3733.02," insert "3733.04, 3733.25,"

In line 107 of the title, after "3745.31," insert "3749.04,"

In line 204 of the title, after "3705.031," insert "3709.092,"

Between lines 100209 and 100210, insert:

"**Section ___.** ECONOMIC GROWTH CHALLENGE

The foregoing appropriation item 235433, Economic Growth Challenge, shall be used for administrative expenses of the Research Incentive Program and

other economic advancement initiatives undertaken by the Chancellor of the Board of Regents.

The Chancellor of the Board of Regents shall use any appropriation transfer to the foregoing appropriation item 235433, Economic Growth Challenge, to enhance the basic research capabilities of public colleges and universities and accredited Ohio institutions of higher education holding certificates of authorization issued under section 1713.02 of the Revised Code, in order to strengthen academic research for pursuing Ohio's economic development goals. The Chancellor shall give priority consideration to projects that are eligible to receive federal stimulus funds."

In line 100278, delete ", in consultation with the Adult"

In line 100279, delete "Workforce Training Workgroup"

Delete lines 100293 through 100303

Between lines 102805 and 102806, insert:

"**Section ___.** CASH TRANSFERS FROM THE TOBACCO USE PREVENTION AND CONTROL FOUNDATION ENDOWMENT FUND

The Director of Budget and Management may request the Treasurer of State to transfer $258,622,890 cash from moneys in the custody of the Treasurer of State that were formerly to the credit of the Tobacco Use Prevention and Control Foundation Endowment Fund, to the General Health and Human Service Pass-Through Fund (Fund 5HC0). If any cash is transferred to the General Health and Human Service Pass-Through Fund (Fund 5HC0) the Director of Budget and Management shall transfer the cash as follows:

(A) Up to $46,000,000 cash in each fiscal year to the Child and Adult Protective Services Fund (Fund 5GV0), used by the Department of Job and Family Services, to support child and adult protective services under Title XX of the "Social Security Act," 88 Stat. 2337 (1974), 42 U.S.C. 1397, as amended. The amount transferred is hereby appropriated.

(B) Up to $31,808,863 cash in fiscal year 2010 to the Health Care Services – Other Fund (Fund 5HA0), used by the Department of Job and Family Services and up to $129,814,027 cash in fiscal year 2011 to Fund 5HA0, to support health care services under the state Medicaid plan. The amount transferred is hereby appropriated.

(C) Up to $2,500,000 cash in each fiscal year to the Breast and Cervical Cancer Fund (Fund 5HB0), used by the Department of Health, to support breast and cervical cancer screenings. The amount transferred is hereby appropriated."

In line 310, after "176.05," delete the remainder of the line

Delete line 311

In line 312, delete "302.202, 302.204, 302.21, 302.22, 302.24,"

In line 433, after "175.35," delete the remainder of the line

In line 434, delete "302.013, 302.014, 302.015,"

Delete lines 17309 through 17899

In line 90812, after "176.05," delete the remainder of the line

Delete line 90813

In line 90814, delete "302.202, 302.204, 302.21, 302.22, 302.24,"

In line 23 of the title, after "176.05," delete the remainder of the line

Delete lines 24 and 25 of the title

In line 26 of the title, delete "302.202, 302.204, 302.21, 302.22, 302.24,"

In line 192 of the title, after "175.35," delete the remainder of the line

In line 193 of the title, delete "302.014, 302.015,"

In line 306, after "150.04," insert "150.05,"

In line 430, after "149.308," insert "150.051,"

In line 442, after "3333.91," insert "3334.111,"

In line 445, after "3923.91," insert "4123.446,"

Between lines 14771 and 14772, insert:

"**Sec. 150.05.** (A) The authority shall select, as program administrators, not more than two private, for-profit investment funds to acquire loans for the program fund and to invest money in the program fund as prescribed in the investment policy established or modified by the authority in accordance with sections 150.03 and 150.04 of the Revised Code. The authority shall give equal consideration, in selecting these program administrators, to minority owned and controlled investment funds, to funds owned and controlled by women, to ventures involving minority owned and controlled funds, and to ventures involving funds owned and controlled by women that otherwise meet the policies and criteria established by the authority. To be eligible for selection, an investment fund must be incorporated or organized under Chapter 1701., 1705., 1775., 1776., 1782., or 1783. of the Revised Code, must have an established business presence in this state, and must be capitalized in accordance with any state and federal laws applicable to the issuance or sale of securities.

The authority shall select program administrators only after soliciting and evaluating requests for proposals as prescribed in this section. The authority shall publish a notice of a request for proposals in newspapers of general circulation in this state once each week for two consecutive weeks before a date specified by the authority as the date on which it will begin accepting proposals. The notices shall contain a general description of the subject of the proposed agreement and the location where the request for proposals may be obtained. The request for proposals shall include all the following:

(1) Instructions and information to respondents concerning the submission of proposals, including the name and address of the office where proposals are to be submitted;

(2) Instructions regarding the manner in which respondents may communicate with the authority, including the names, titles, and telephone numbers of the individuals to whom such communications shall be directed;

(3) Description of the performance criteria that will be used to evaluate whether a respondent selected by the authority is satisfying the authority's investment policy;

(4) Description of the factors and criteria to be considered in evaluating respondents' proposals, the relative importance of each factor or criterion, and description of the authority's evaluation procedure;

(5) Description of any documents that may be incorporated by reference into the request for proposals, provided that the request specifies where such documents may be obtained and such documents are readily available to all interested parties.

After the date specified for receiving proposals, the authority shall evaluate submitted proposals. The authority may discuss a respondent's proposal with that respondent to clarify or revise a proposal or the terms of the agreement.

The authority shall choose for review proposals from at least three respondents the authority considers qualified to operate the program in the best interests of the investment policy adopted by the authority. If three or fewer proposals are submitted, the authority shall review each proposal. The authority may cancel a request for proposals at any time before entering into an agreement with a respondent. The authority shall provide respondents fair and equal opportunity for such discussions. The authority may terminate discussions with any respondent upon written notice to the respondent.

(B) After reviewing the chosen proposals, the authority may select not more than two such respondents and enter into a written agreement with each of the selected respondents, provided that at no time shall there be agreements with more than two persons.

The agreement shall do all of the following:

(1) Specify that borrowing and investing by the program administrator will be budgeted to guarantee that no tax credits will be granted during the first four years of the Ohio venture capital program, and will be structured to ensure that payments of principal, interest, or interest equivalent due in any fiscal year, when added to such payments due from any other program administrator, does not exceed twenty million dollars;

(2) Require investment by the program administrator or the fund manager employed by the program administrator to be in compliance with the investment policy established or modified in accordance with sections 150.03 and 150.04 of

the Revised Code that is in effect at the time the investment is made, and prohibit the program administrator or fund manager from engaging in any investment activities other than activities to carry out that policy;

(3) Require periodic financial reporting by the program administrator to the authority, which reporting shall include an annual audit by an independent auditor and such other financial reporting as is specified in the agreement or otherwise required by the authority for the purpose of ensuring that the program administrator is carrying out the investment policy;

(4) Specify any like standards or general limitations in addition to or in furtherance of investment standards or limitations that apply pursuant to division (H) of section 150.03 of the Revised Code;

(5) Require the program administrator to apply program fund revenue first to the payment of principal borrowed by the program administrator for investment under the program, then to interest related to that principal, and then to amounts necessary to cover the program administrator's pro rata share required under division (B)(9) of this section; and require the program administrator to pay the authority not less than ninety per cent of the amount by which program fund revenue attributable to investments under the program administrator's investment authority exceeds amounts so applied;

(6) Specify the procedures by which the program administrator shall certify immediately to the authority the necessity for the authority to issue tax credit certificates pursuant to contracts entered into under section 150.07 of the Revised Code;

(7) Specify any general limitations regarding the employment of a fund manager by the program administrator, in addition to an express limitation that the fund manager be a person with demonstrated, substantial, successful experience in the design and management of seed and venture capital investment programs and in capital formation. The fund manager may be, but need not be, an equity owner or affiliate of the program administrator.

(8) Specify the terms and conditions under which the authority or the program administrator may terminate the agreement, including in the circumstance that the program administrator or fund manager violates the investment policy;

(9) Require the program administrator or fund manager employed by the program administrator to provide capital in the form of a loan equal to one per cent of the amount of outstanding loans by lenders to the program fund. The loan from the program administrator or fund manager shall be on the same terms and conditions as loans from other lenders, except that the loan from the program administrator or fund manager shall not be secured by the Ohio venture capital fund or tax credits available to other lenders under division (B) of section 150.04 of the Revised Code. Such capital shall be placed at the same risk as the proceeds from such loans. The program administrator shall receive a pro rata share of the net income, including net loss, from the investment of money from

the program fund, but is not entitled to the security against losses provided under section 150.04 of the Revised Code.

Sec. 150.051. (A) As used in this section:

(1) "Minority business enterprise" has the meaning defined in section 122.71 of the Revised Code.

(2) "Women's business enterprise" means a business, or a partnership, corporation, limited liability company, or joint venture of any kind, that is owned and controlled by women who are United States citizens and residents of this state.

(B) The Ohio venture capital authority shall submit annually to the governor and to the general assembly (under section 101.68 of the Revised Code) a report containing the following information:

(1) The name of each program administrator that is a minority business enterprise or a women's business enterprise with which the authority contracts;

(2) The amount of assets managed by program administrators that are minority business enterprises or women's business enterprises, expressed as a percentage of assets managed by program administrators with which the authority has contracted.

(3) Efforts by the authority to increase utilization of program administrators that are minority business enterprises or women's business enterprises."

Between lines 45404 and 45405, insert:

" **Sec. 3334.111.** (A) As used in this section:

(1) "Minority business enterprise" has the meaning defined in section 122.71 of the Revised Code.

(2) "Women's business enterprise" means a business, or a partnership, corporation, limited liability company, or joint venture of any kind, that is owned and controlled by women who are United States citizens and residents of this state.

(B) The chancellor of the board of regents shall submit annually to the governor and to the general assembly (under section 101.68 of the Revised Code) a report containing the following information:

(1) The name of each investment manager that is a minority business enterprise or a women's business enterprise with which the chancellor contracts;

(2) The amount of assets managed by investment managers that are minority business enterprises or women's business enterprises, expressed as a percentage of assets managed by investment managers with which the chancellor has contracted;

(3) Efforts by the chancellor to increase utilization of investment

managers that are minority business enterprises or women's business enterprises."

Between lines 61650 and 61651, insert:

" **Sec. 4123.446.** (A) As used in this section:

(1) "Minority business enterprise" has the meaning defined in section 122.71 of the Revised Code.

(2) "Women's business enterprise" means a business, or a partnership, corporation, limited liability company, or joint venture of any kind, that is owned and controlled by women who are United States citizens and residents of this state.

(B) The administrator of workers' compensation shall submit annually to the governor and to the general assembly (under section 101.68 of the Revised Code) a report containing the following information:

(1) The name of each investment manager that is a minority business enterprise or a women's business enterprise with which the administrator contracts;

(2) The amount of assets managed by investment managers that are minority business enterprises or women's business enterprises, expressed as a percentage of assets managed by investment managers with which the administrator has contracted;

(3) Efforts by the administrator to increase utilization of investment managers that are minority business enterprises or women's business enterprises."

In line 90808, after "150.04," insert "150.05,"

In line 19 of the title, after "150.04," insert "150.05,"

In line 188 of the title, after "149.308," insert "150.051,"

In line 202 of the title, after "3333.91," insert "3334.111,"

In line 206 of the title, after "3923.91," insert "4123.446,"

Between lines 105448 and 105449, insert:

"**Section 733._____.** If a board of education acquired or acquires a parcel of real property between January 1, 2008, and December 31, 2010, and if the board, by vote of a majority of its members, determines that a portion of the parcel, or a portion of the improvements located on or to be constructed on the parcel, is not required for school use, the board may convey a leasehold interest in that excess property for a term not to exceed ninety-nine years, without reserving any right to cancel or terminate the lease other than breach of the lease by the lessee. The board may convey the leasehold interest as a single leasehold interest pursuant to one lease or as separate leasehold interests pursuant to two or more leases.

The board shall convey the leasehold interest at public auction or by sealed bid to the highest bidder. If the board proceeds by sealed bid, the board shall prescribe the form of the bid, and shall require that each bid contain the name of the person submitting the bid.

The board shall publish notice of the time and place of the auction or bid opening in a newspaper of general circulation in the school district or by posting notices in five of the most public places in the school district. The notice shall state that the terms and conditions of the lease are available in the office of the treasurer of the school district for review by prospective bidders. If the board proceeds by sealed bid, the notice shall include instructions for making a bid.

The board, from and after the day the notice is published, shall make all the terms and conditions of the lease available in the office of the treasurer of the school district for review by prospective bidders.

The base rent payable under the lease shall not be part of the terms and conditions of the lease. Rather, the highest bid shall establish the base rent payable under the lease. The base rent may be in addition to other payments and nonmonetary obligations of the lessee under the lease.

If the board proceeds by auction, the board shall conduct the auction at the time and place stated in the notice. If the board proceeds by sealed bid, the board shall open and tabulate bids at the time and place stated in the notice. The board may reject all bids, but only if the rejection occurs within sixty days following the auction or the opening of bids. Upon rejection of all bids, the board may again proceed by public auction or sealed bid to convey the leasehold interest in the manner prescribed by this section.

The president and treasurer of the board of education shall execute and deliver the lease agreement and any other agreements, documents, or instruments that are necessary to complete conveyance of the leasehold interest."

Between lines 92570 and 92571, insert:

"Federal Special Revenue Fund Group

5AQ0 874606 Grant $3,977 $0"

TOTAL FED Federal Special Revenue Fund Group $3,977 $0"

In line 92575, add $3,977 to fiscal year 2010

In line 427, after "121.376," insert "122.042,"

Between lines 6564 and 6565, insert:

" **Sec. 122.042.** The director of development may found an employment opportunity program that encourages employers to employ individuals who are members of significantly disadvantaged groups. If the director intends to found such an employment opportunity program, the director shall adopt, and thereafter may amend or rescind, rules under Chapter 119. of the Revised Code to found, and to operate, maintain, and improve, the program. In the rules, the

director shall:

(A) Construct, and, as changing circumstances indicate, re-construct, procedures according to which significantly disadvantaged groups are identified as such, an individual is identified as being a member of a significantly disadvantaged group, and an employer is identified as being a potential employer of an individual who is a member of a significantly disadvantaged group;

(B) Describe, and, as experience indicates, re-describe, the kinds of evidence that shall be considered to identify significantly disadvantaged groups, the kinds of evidence an individual shall offer to prove that the individual is a member of a significantly disadvantaged group, and the kinds of evidence an employer shall offer to prove that the employer is a potential employer of an individual who is a member of a significantly disadvantaged group;

(C) Specify, and, as experience indicates, re-specify, strategies and tactics for connecting individuals who are members of significantly disadvantaged groups with potential employers of members of significantly disadvantaged groups; and

(D) Construct, describe, specify, define, and prescribe any other thing that is necessary and proper for the founding, and for the successful and efficient operation, maintenance, and improvement, of the employment opportunity program.

In founding, and in operating, maintaining, and improving, the employment opportunity program under the rules, the director shall proceed so that the resulting program functions as a coherent, efficient system for improving employment opportunities for significantly disadvantaged groups. Examples of significantly disadvantaged groups include individuals who have not graduated from high school, individuals who have been convicted of a crime, individuals who are disabled, and individuals who are chronically unemployed (usually for more than eighteen months)."

In line 183 of the title, after "121.376," insert "122.042,"

Delete lines 106255 through 106303

In line 97051, delete "$69,876,838 $68,313,238" and insert "$76,076,838 $77,563,238"

In line 97052, delete the first "$63,600,000" and insert "$99,916,750"

In line 97058, add $42,516,750 to fiscal year 2010 and $9,250,000 to fiscal year 2011

In line 97071, delete "$3,257,696,629 $2,481,516,614" and insert "$3,364,069,130 $2,730,922,601"

In line 97080, delete "$755,528,435 $760,614,433" and insert "$819,207,893 $811,170,741"

In line 97082, add $170,051,959 to fiscal year 2010 and $299,962,295 to

fiscal year 2011

In line 97094, delete "$1,000,000 $1,000,000" and insert "$10,000,000 $10,000,000"

In line 97100, delete "$357,000,000 $354,000,000" and insert "$338,505,284 $370,861,816"

In line 97102, delete "$347,955,251 $365,135,000" and insert "$359,332,500 $381,710,000"

In line 97103, delete the second "$2,070,707" and insert "$5,493,954"

In line 97104, delete the second "$12,017,389" and insert "$14,393,903"

In line 97105, delete "$3,000,000 $3,000,000" and insert "$4,719,470 $4,719,470"

In line 97108, add $3,602,003 to fiscal year 2010 and $49,956,047 to fiscal year 2011

In line 97118, add $216,170,712 to fiscal year 2010 and $359,168,342 to fiscal year 2011

Between lines 97967 and 97968, insert:

"**Section ____.** MEDICARE PART D APPROPRIATIONS

If the Centers for Medicare and Medicaid Services do not reduce the Medicaid grant award in lieu of state payments for Medicare Part D services as planned in state fiscal years 2010 and 2011, the appropriation in appropriation item 600526, Medicare Part D, shall be increased by the amount of the unanticipated GRF Medicaid grant award received. The unanticipated amounts are hereby appropriated."

In line 410, after "5703.80," insert "5705.211,"

Between lines 80872 and 80873, insert:

"**Sec. 5705.211.** (A) As used in this section:

(1) "Adjusted charge-off increase" for a tax year means two ~~and three-tenths~~ per cent of the cumulative carryover property value increase. If the cumulative carryover property value increase is computed on the basis of a school district's recognized valuation for a fiscal year before fiscal year 2014, the adjusted charge-off increase shall be adjusted to account for the greater charge-off rates prescribed for such fiscal years under sections 3317.022 and 3306.13 of the Revised Code.

(2) "Cumulative carryover property value increase" means the sum of the increases in carryover value certified under division (B)(2) of section 3317.015 of the Revised Code and included in a school district's total taxable value in the computation of recognized valuation under division (B) of that section for all fiscal years from the fiscal year that ends in the first tax year a levy under this

section is extended on the tax list of real and public utility property until and including the fiscal year that ends in the current tax year.

(3) "Taxes charged and payable" means the taxes charged and payable from a tax levy extended on the real and public utility property tax list and the general list of personal property before any reduction under section 319.302, 323.152, or 323.158 of the Revised Code.

(B) The board of education of a city, local, or exempted village school district may adopt a resolution proposing the levy of a tax in excess of the ten-mill limitation for the purpose of paying the current operating expenses of the district. If the resolution is approved as provided in division (D) of this section, the tax may be levied at such a rate each tax year that the total taxes charged and payable from the levy equals the adjusted charge-off increase for the tax year or equals a lesser amount as prescribed under division (C) of this section. The tax may be levied for a continuing period of time or for a specific number of years, but not fewer than five years, as provided in the resolution. The tax may not be placed on the tax list for a tax year beginning before the first day of January following adoption of the resolution. A board of education may not adopt a resolution under this section proposing to levy a tax under this section concurrently with any other tax levied by the board under this section.

(C) After the first year a tax is levied under this section, the rate of the tax in any year shall not exceed the rate, estimated by the county auditor, that would cause the sums levied from the tax against carryover property to exceed one hundred four per cent of the sums levied from the tax against carryover property in the preceding year. A board of education imposing a tax under this section may specify in the resolution imposing the tax that the percentage shall be less than one hundred four per cent, but the percentage shall not be less than one hundred per cent. At any time after a resolution adopted under this section is approved by a majority of electors as provided in division (D) of this section, the board of education, by resolution, may decrease the percentage specified in the resolution levying the tax.

(D) A resolution adopted under this section shall state that the purpose of the tax is to pay current operating expenses of the district, and shall specify the first year in which the tax is to be levied, the number of years the tax will be levied or that it will be levied for a continuing period of time, and the election at which the question of the tax is to appear on the ballot, which shall be a general or special election consistent with the requirements of section 3501.01 of the Revised Code. If the board of education specifies a percentage less than one hundred four per cent pursuant to division (C) of this section, the percentage shall be specified in the resolution.

Upon adoption of the resolution, the board of education may certify a copy of the resolution to the proper county board of elections. The copy of the resolution shall be certified to the board of elections not later than seventy-five days before the day of the election at which the question of the tax is to appear on the ballot. Upon receiving a timely certified copy of such a resolution, the

board of elections shall make the necessary arrangements for the submission of the question to the electors of the school district, and the election shall be conducted, canvassed, and certified in the same manner as regular elections in the school district for the election of members of the board of education. Notice of the election shall be published in one or more newspapers of general circulation in the school district once per week for four consecutive weeks. The notice shall state that the purpose of the tax is for the current operating expenses of the school district, the first year the tax is to be levied, the number of years the tax is to be levied or that it is to be levied for a continuing period of time, that the tax is to be levied each year in an amount estimated to offset decreases in state base cost funding caused by appreciation in real estate values, and that the estimated additional tax in any year shall not exceed the previous year's by more than four per cent, or a lesser percentage specified in the resolution levying the tax, except for increases caused by the addition of new taxable property.

The question shall be submitted as a separate proposition but may be printed on the same ballot with any other proposition submitted at the same election other than the election of officers.

The form of the ballot shall be substantially as follows:

"An additional tax for the benefit of (name of school district) for the purpose of paying the current operating expenses of the district, for ..... (number of years or for continuing period of time), at a rate sufficient to offset any reduction in basic state funding caused by appreciation in real estate values? This levy will permit variable annual growth in revenue up to ..... (amount specified by school district) per cent for the duration of the levy.

	For the tax levy
	Against the tax levy

"

If a majority of the electors of the school district voting on the question vote in favor of the question, the board of elections shall certify the results of the election to the board of education and to the tax commissioner immediately after the canvass.

(E) When preparing any estimate of the contemplated receipts from a tax levied pursuant to this section for the purposes of sections 5705.28 to 5705.40 of the Revised Code, and in preparing to certify the tax under section 5705.34 of the Revised Code, a board of education authorized to levy such a tax shall use information supplied by the department of education to determine the adjusted charge-off increase for the tax year for which that certification is made. If the board levied a tax under this section in the preceding tax year, the sum to be certified for collection from the tax shall not exceed the sum that would exceed the limitation imposed under division (C) of this section. At the request of the board of education or the treasurer of the school district, the county auditor shall assist the board of education in determining the rate or sum that may be levied

under this section.

The board of education shall certify the sum authorized to be levied to the county auditor, and, for the purpose of the county auditor determining the rate at which the tax is to be levied in the tax year, the sum so certified shall be the sum to be raised by the tax unless the sum exceeds the limitation imposed by division (C) of this section. A tax levied pursuant to this section shall not be levied at a rate in excess of the rate estimated by the county auditor to produce the sum certified by the board of education before the reductions under sections 319.302, 323.152, and 323.158 of the Revised Code. Notwithstanding section 5705.34 of the Revised Code, a board of education authorized to levy a tax under this section shall certify the tax to the county auditor before the first day of October of the tax year in which the tax is to be levied, or at a later date as approved by the tax commissioner."

In line 90912, after "5703.80," insert "5705.211,"

In line 160 of the title, after "5703.80," insert "5705.211,"

In line 315, after "340.033," insert "351.01,"

Between lines 19771 and 19772, insert:

"**Sec. 351.01.** As used in this chapter:

(A) "Convention facilities authority" means a body corporate and politic created pursuant to section 351.02 of the Revised Code.

(B) "Governmental agency" means a department, division, or other unit of the state government or of a municipal corporation, county, township, or other political subdivision of the state; any state university or college, as defined in section 3345.12 of the Revised Code, community college, state community college, university branch, or technical college; any other public corporation or agency having the power to acquire, construct, or operate facilities; the United States or any agency thereof; and any agency, commission, or authority established pursuant to an interstate compact or agreement.

(C) "Person" means any individual, firm, partnership, association, or corporation, or any combination of them.

(D) "Facility" or "facilities" means any convention, entertainment, or sports facility, or combination of them, located within the territory of the convention facilities authority, together with all hotels, parking facilities, walkways, and other auxiliary facilities, real and personal property, property rights, easements and interests that may be appropriate for, or used in connection with, the operation of the facility.

(E) "Cost" means the cost of acquisition of all land, rights-of-way, property rights, easements, franchise rights, and interests required for such acquisition; the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved; the cost of acquiring or constructing and

equipping a principal office of the convention facilities authority; the cost of diverting highways, interchange of highways, access roads to private property, including the cost of land or easements for such access roads; the cost of public utility and common carrier relocation or duplication; the cost of all machinery, furnishings, and equipment; financing charges; interest prior to and during construction and for no more than eighteen months after completion of construction; expenses of research and development with respect to facilities; legal expenses; expenses of obtaining plans, specifications, engineering surveys, studies, and estimates of cost and revenues; working capital; expenses necessary or incident to determining the feasibility or practicability of acquiring or constructing such facility; administrative expense; and such other expenses as may be necessary or incident to the acquisition or construction of the facility, the financing of such acquisition or construction, including the amount authorized in the resolution of the convention facilities authority providing for the issuance of convention facilities authority revenue bonds to be paid into any special funds from the proceeds of such bonds, the cost of issuing the bonds, and the financing of the placing of such facility in operation. Any obligation, cost, or expense incurred by any governmental agency or person for surveys, borings, preparation of plans and specifications, and other engineering services, or any other cost described above, in connection with the acquisition or construction of a facility may be regarded as part of the cost of such facility and may be reimbursed out of the proceeds of convention facilities authority revenue bonds as authorized by this chapter.

(F) "Owner" includes a person having any title or interest in any property, rights, easements, or interests authorized to be acquired by Chapter 351. of the Revised Code.

(G) "Revenues" means all rentals and other charges received by the convention facilities authority for the use or services of any facility, the sale of any merchandise, or the operation of any concessions; any gift or grant received with respect to any facility, any moneys received with respect to the lease, sublease, sale, including installment sale or conditional sale, or other disposition of a facility or part thereof; moneys received in repayment of and for interest on any loans made by the authority to a person or governmental agency, whether from the United States or any department, administration, or agency thereof, or otherwise; proceeds of convention facilities authority revenue bonds to the extent the use thereof for payment of principal or of premium, if any, or interest on the bonds is authorized by the authority; proceeds from any insurance, appropriation, or guaranty pertaining to a facility or property mortgaged to secure bonds or pertaining to the financing of the facility; income and profit from the investment of the proceeds of convention facilities authority revenue bonds or of any revenues; contributions of the proceeds of a tax levied pursuant to division (A)(3) of section 5739.09 of the Revised Code; and moneys transmitted to the authority pursuant to division (B) of section 5739.211 and division (B) of section 5741.031 of the Revised Code.

(H) "Public roads" includes all public highways, roads, and streets in the

state, whether maintained by the state, county, city, township, or other political subdivision.

(I) "Construction," unless the context indicates a different meaning or intent, includes, but is not limited to, reconstruction, enlargement, improvement, or providing fixtures, furnishings, and equipment.

(J) "Convention facilities authority revenue bonds" or "revenue bonds," unless the context indicates a different meaning or intent, includes convention facilities authority revenue notes, convention facilities authority revenue renewal notes, and convention facilities authority revenue refunding bonds.

(K) "Convention facilities authority tax anticipation bonds" or "tax anticipation bonds," unless the context indicates a different meaning, includes convention facilities authority tax anticipation bonds, tax anticipation notes, tax anticipation renewal notes, and tax anticipation refunding bonds.

(L) "Bonds and notes" means convention facilities authority revenue bonds and convention facilities authority tax anticipation bonds.

(M) "Territory of the authority" means all of the area of the county creating the convention facilities authority.

(N) "Excise taxes" means any of the taxes levied pursuant to division (B) or (C) of section 351.021 of the Revised Code. "Excise taxes" does not include taxes levied pursuant to section 4301.424, 5743.026, or 5743.324 of the Revised Code.

(O) "Transaction" means the charge by a hotel for each occupancy by transient guests of a room or suite of rooms used in a hotel as a single unit for any period of twenty-four hours or less.

(P) "Hotel" and "transient guests" have the same meanings as in section 5739.01 of the Revised Code.

(Q) "Sports facility" means a facility intended to house major league professional athletic teams.

(R) "Constructing" or "construction" includes providing fixtures, furnishings, and equipment."

In line 90817, after "340.033," insert "351.01,"

In line 29 of the title, after "340.033," insert "351.01,"

Delete lines 93834 through 93844 and insert:

"Of the foregoing appropriation item 200100, Personal Services, up to $500,000 in each fiscal year shall be used to support administration and activities including travel, contract services, and other expenses of the Governor's Closing the Achievement Gap Initiative in the Department."

Delete lines 94003 through 94018

In line 94071, delete "up to $2,000,000" and insert "$1,279,948"; delete "each"; after "year" insert "2010 and $1,500,000 in fiscal year 2011"

Between lines 95543 and 95544, insert:

"**Section ___.** DEPARTMENT OF EDUCATION APPROPRIATION TRANSFERS FOR SCHOOL MANAGEMENT ASSISTANCE

In fiscal year 2010 and fiscal year 2011, if the Superintendent of Public Instruction determines that additional funds are needed to meet the reporting requirements of the federal American Recovery and Reinvestment Act, the Superintendent of Public Instruction may recommend the reallocation of unexpended and unencumbered General Revenue Fund appropriations within the Department of Education to appropriation item 200422, School Management Assistance, to the Director of Budget and Management. If the Director of Budget and Management determines that such a reallocation is required, the Director of Budget and Management may transfer unexpended and unencumbered appropriations within the Department of Education as necessary to appropriation item 200422, School Management Assistance."

Between lines 94112 and 94113, insert:

"A portion of the foregoing appropriation item 200424, Policy Analysis, may be used in conjunction with appropriation item 200439, Accountability/Report Cards, to develop a fiscal reporting dimension, which shall contain fiscal data reported for the prior fiscal year, to the school report card for publication beginning in fiscal year 2011. The fiscal information contained therein shall be updated and reported annually in a form and in a manner as determined by the Department."

In line 94131, delete "$14,948,498" and insert "$11,626,123"; delete "each"; after "year" insert "2010 and $11,895,077 in fiscal year 2011"

In line 94151, delete "$2,038,657" and insert "$1,600,000"

In line 94161, delete "$7,442,391" and insert "$5,800,000"

Delete lines 94189 through 94194 and insert "Of the foregoing appropriation item 200431, School Improvement Initiatives, up to $300,000 in each fiscal year may be used by the Department for administrative costs associated with middle school and high school reform programs."

In line 94195, delete "Of" and insert "The remainder of"

In line 94196, delete everything after the first comma

Delete lines 94202 through 94210

In line 94227, delete "up to $2,378,976" and insert "a portion"

In line 94228, delete "shall" and insert "may"

In line 94231, after the period insert "This training may include teacher and administrator professional development in the use of data to improve

instruction and student learning, and teacher and administrator training in understanding teacher value-added reports and how they can be used as a component in measuring teacher and administrator effectiveness."; delete "This" and insert "A portion of this"; delete "shall be used in consultation" and insert "may be provided to"

In line 94232, delete "with"

In line 94252, delete "$1,276,761" and insert "$1,000,000"; delete "each"

In line 94253, after "year" insert "2010 and up to $810,000 in fiscal year 2011"

In line 94262, delete "$7,874,541" and insert "$6,035,256"; delete "each"

In line 94263, after "year" insert "2010 and up to $4,960,388 in fiscal year 2011"

Delete lines 94336 through 94339

In line 94340, delete "remainder of" and insert "foregoing"

In line 94349, delete "Of the" and insert "The"

In line 94350, delete "up to $1,308,661 in each fiscal year"

In line 94354, delete "up to $225,000" and insert "a portion"

In line 94613, delete "$47,000,000" and insert "$46,400,000"

In line 94364, after "be" delete the balance of the line and insert "distributed by the STEM Committee to STEM schools, STEM Programs of Excellence, or other initiatives that support innovative mathematics and science education and mathematics and science professional development for teachers. Such initiatives may include on-site laboratories, job-embedded professional development, and mentoring and coaching."

Delete lines 94365 through 94385

In line 94408, delete "BUS PURCHASE ALLOWANCE"

Delete lines 94409 through 94418

Delete lines 94438 through 94475

In line 94484, delete "$2,906,875" and insert "$2,206,875"

In line 94487, delete "$47,518,582" and insert "$44,700,561"

In line 94488, delete "$48,421,435" and insert "$45,282,959"

In line 94497, delete "1.9" and insert "0.75"

In line 94501, delete "$1,500,000" and insert "$1,333,468"

In line 94504, delete "$2,783,396" and insert "$2,537,824"; delete "shall" and insert "may"

In line 94537, delete "$2,633,531" and insert "$2,543,531"

In line 94538, delete "$2,683,568" and insert "$2,563,568"

In line 94541, delete "$2,228,281" and insert "$2,138,281"

In line 94550, delete "$2,890,850" and insert "$2,800,850"

In line 94561, after "to" insert "$270,000 in fiscal year 2010 and up to"; delete "each"; after "year" insert "2011"

In line 95056, delete "Of the" and insert "The"

In line 95057, after the comma delete the balance of the line

Delete lines 95060 through 95067

In line 410, after "5703.80," insert "5705.01,"; after "5705.214," insert "5705.25,"

In line 441, after "3313.719," insert "3313.82,"

In line 454, after "5705.2110," insert "5705.2111,"

Between lines 37770 and 37771, insert:

" **Sec. 3313.82.** (A)(1) For the purpose of pooling resources, operating more cost effectively, minimizing administrative overhead, encouraging the sharing of resource development, and diminishing duplication, the boards of education of two or more city, local, or exempted village school districts each having a majority of its territory in a county with a population greater than one million two hundred thousand, by adopting identical resolutions, may enter into an agreement providing for the creation of a regional student education district for the purpose of funding the following for students enrolled in those school districts, including students diagnosed as autistic and students with special needs, and their immediate family members:

(a) Special education services;

(b) Behavioral health services for persons with special needs.

If more than eight boards of education adopt resolutions to form a regional student education district, the boards may meet at facilities of the educational service center of the county to discuss membership in the district.

(2) The territory of a regional student education district at any time shall be composed of the combined territories of the school districts that are parties to the agreement at that time. Services funded by a regional student education district shall be available to all individuals enrolled in a school district that is a part of the regional student education district and members of their immediate family.

(3) The agreement may be amended pursuant to terms and procedures mutually agreed to by the boards of education that are parties to the agreement.

(B) Each regional student education district shall be governed by a board of directors. The superintendent of each board of education that is a party to the agreement shall serve on the board of directors. The agreement shall provide for the terms of office of directors. Directors shall receive no compensation, but shall be reimbursed, from the special fund of the regional student education district, for the reasonable and necessary expenses they incur in the performance of their duties for the district. The agreement shall provide for the conduct of the board's initial organizational meeting and for the frequency of subsequent meetings and quorum requirements. At its first meeting, the board shall designate from among its members a president and secretary in the manner provided in the agreement.

The board of directors of a regional student education district is a body corporate and politic, is capable of suing and being sued, is capable of contracting within the limits of this section and the agreement governing the district, and is capable of accepting gifts, donations, bequests, or other grants of money for use in paying its expenses. The district is a public office and its directors are public officials within the meaning of section 117.01 of the Revised Code, the board of directors is a public body within the meaning of section 121.22 of the Revised Code, and records of the board and of the district are public records within the meaning of section 149.43 of the Revised Code.

The agreement shall require the board to designate a permanent location for its offices and meeting place, and may provide for the use of such facilities and property for the provision of services by the agencies with which the board contracts under division (C) of this section.

(C)(1) To provide the services identified in division (A)(1) of this section, the board of directors of a regional student education district shall provide for the hiring of employees or shall contract with one or more entities. Except as provided in division (C)(2) of this section, any entity with which the board of directors contracts to provide the services identified in division (A)(1)(b) of this section shall be a qualified nonprofit, nationally accredited agency to which both of the following apply:

(a) The agency is licensed or certified by the departments of mental health, job and family services, and alcohol and drug addiction services.

(b) The agency provides school-based behavioral health services.

(2) The board of directors may contract with an entity that does not meet the conditions stated in division (C)(1) of this section if the services to be provided by the entity are only incidental to the services identified in division (A)(1)(b) of this section.

(3) The board of directors may levy a tax throughout the district as provided in section 5705.2111 of the Revised Code. The board of directors shall provide for the creation of a special fund to hold the proceeds of any tax levied under section 5705.2111 of the Revised Code and any gifts, donations, bequests, or other grants of money coming into the possession of the district. A regional

student education district is a subdivision, and the board of directors is a governing body, within the meaning of section 135.01 of the Revised Code. The board of directors may not issue securities or otherwise incur indebtedness.

(4) The adoption or rejection by electors of a tax levy to fund a regional student education district pursuant to section 5705.2111 of the Revised Code does not alter the duty of each school district member of the regional student education district to provide special education and related services as required under Chapter 3323. of the Revised Code. On the expiration of a regional student education district levy, the state, member school districts of the regional student education district, and any other governmental entity shall not be obligated to provide replacement funding for the revenues under the expired levy. The tax levy, in whole or in part, shall not be considered a levy for current operating expenses pursuant to division (A) of section 3317.01 of the Revised Code for any of the school districts that are members of the regional student education district.

(D)(1) The agreement shall provide for the manner of appointing an individual or entity to perform the duties of fiscal officer of the regional student education district. The agreement shall specify the length of time the individual or entity shall perform those duties and whether the individual or entity may be reappointed upon the completion of a term. The fiscal officer may receive compensation for performing the duties of the position and be reimbursed for reasonable expenses of performing those duties from the regional student education district's special fund.

(2) The legal advisor of the board of directors of a regional student education district shall be the prosecuting attorney of the most populous county containing a school district that is a member of the regional student education district. The prosecuting attorney shall prosecute all actions against a member of the board of directors for malfeasance or misfeasance in office and shall be the legal counsel for the board and its members in all other actions brought by or against them and shall conduct those actions in the prosecuting attorney's official capacity. No compensation in addition to the prosecuting attorney's regular salary shall be allowed.

(E) The board of directors of a regional student education district shall procure a policy or policies of insurance insuring the board, the fiscal officer, and the legal representative against liability on account of damage or injury to persons and property. Before procuring such insurance the board shall adopt a resolution setting forth the amount of insurance to be purchased, the necessity of the insurance, and a statement of its estimated premium cost. Insurance procured pursuant to this section shall be from one or more recognized insurance companies authorized to do business in this state. The cost of the insurance shall be paid from the district's special fund.

A regional student education district is a political subdivision within the meaning of section 2744.01 of the Revised Code.

(F)(1) The board of education of a school district having a majority of its territory in the county may join an existing regional student education district by adopting a resolution requesting to join as a party to the agreement and upon approval by the boards of education that currently are parties to the agreement. If a tax is levied in the regional student education district under section 5705.2111 of the Revised Code, a board of education may join the district only after a majority of qualified electors in the school district voting on the question vote in favor of levying the tax throughout the school district. A board of education joining an existing district shall have the same powers, rights, and obligations under the agreement as other boards of education that are parties to the agreement.

(2) A board of education that is a party to an agreement under this section may withdraw the school district from a regional student education district by adopting a resolution. The withdrawal shall take effect on the date provided in the resolution. If a tax is levied in the regional student education district under section 5705.2111 of the Revised Code, the resolution shall take effect not later than the first day of January following adoption of the resolution. Beginning with the first day of January following adoption of the resolution, any tax levied under section 5705.2111 of the Revised Code shall not be levied within the territory of the withdrawing school district. Any collection of tax levied in the territory of the withdrawing school district under that section that has not been settled and distributed when the resolution takes effect shall be credited to the district's special fund.

(G) An agreement entered into under this section shall provide for the manner of the regional student education district's dissolution. The district shall cease to exist when not more than one school district remains in the district, and the levy of any tax under section 5705.2111 of the Revised Code shall not be extended on the tax lists in any tax year beginning after the dissolution of the district. The agreement shall provide that, upon dissolution of the district, any unexpended balance in the district's special fund shall be divided among the school districts that are parties to the agreement immediately before dissolution in proportion to the taxable valuation of taxable property in the districts, and credited to their respective general funds."

Between lines 80872 and 80873, insert:

"**Sec. 5705.01.** As used in this chapter:

(A) "Subdivision" means any county; municipal corporation; township; township police district; township fire district; joint fire district; joint ambulance district; joint emergency medical services district; fire and ambulance district; joint recreation district; township waste disposal district; township road district; community college district; technical college district; detention facility district; a district organized under section 2151.65 of the Revised Code; a combined district organized under sections 2152.41 and 2151.65 of the Revised Code; a joint-county alcohol, drug addiction, and mental health service district; a drainage improvement district created under section 6131.52 of the Revised

Code; a union cemetery district; a county school financing district; ~~or~~ a city, local, exempted village, cooperative education, or joint vocational school district ; or a regional student education district created under section 3313.82 of the Revised Code.

(B) "Municipal corporation" means all municipal corporations, including those that have adopted a charter under Article XVIII, Ohio Constitution.

(C) "Taxing authority" or "bond issuing authority" means, in the case of any county, the board of county commissioners; in the case of a municipal corporation, the council or other legislative authority of the municipal corporation; in the case of a city, local, exempted village, cooperative education, or joint vocational school district, the board of education; in the case of a community college district, the board of trustees of the district; in the case of a technical college district, the board of trustees of the district; in the case of a detention facility district, a district organized under section 2151.65 of the Revised Code, or a combined district organized under sections 2152.41 and 2151.65 of the Revised Code, the joint board of county commissioners of the district; in the case of a township, the board of township trustees; in the case of a joint fire district, the board of fire district trustees; in the case of a joint recreation district, the joint recreation district board of trustees; in the case of a joint-county alcohol, drug addiction, and mental health service district, the district's board of alcohol, drug addiction, and mental health services; in the case of a joint ambulance district or a fire and ambulance district, the board of trustees of the district; in the case of a union cemetery district, the legislative authority of the municipal corporation and the board of township trustees, acting jointly as described in section 759.341 of the Revised Code; in the case of a drainage improvement district, the board of county commissioners of the county in which the drainage district is located; in the case of a joint emergency medical services district, the joint board of county commissioners of all counties in which all or any part of the district lies; and in the case of a township police district, a township fire district, a township road district, or a township waste disposal district, the board of township trustees of the township in which the district is located. "Taxing authority" also means the educational service center governing board that serves as the taxing authority of a county school financing district as provided in section 3311.50 of the Revised Code , and the board of directors of a regional student education district created under section 3313.82 of the Revised Code.

(D) "Fiscal officer" in the case of a county, means the county auditor; in the case of a municipal corporation, the city auditor or village clerk, or an officer who, by virtue of the charter, has the duties and functions of the city auditor or village clerk, except that in the case of a municipal university the board of directors of which have assumed, in the manner provided by law, the custody and control of the funds of the university, the chief accounting officer of the university shall perform, with respect to the funds, the duties vested in the fiscal officer of the subdivision by sections 5705.41 and 5705.44 of the Revised Code; in the case of a school district, the treasurer of the board of education; in the case

of a county school financing district, the treasurer of the educational service center governing board that serves as the taxing authority; in the case of a township, the township fiscal officer; in the case of a joint fire district, the clerk of the board of fire district trustees; in the case of a joint ambulance district, the clerk of the board of trustees of the district; in the case of a joint emergency medical services district, the person appointed as fiscal officer pursuant to division (D) of section 307.053 of the Revised Code; in the case of a fire and ambulance district, the person appointed as fiscal officer pursuant to division (B) of section 505.375 of the Revised Code; in the case of a joint recreation district, the person designated pursuant to section 755.15 of the Revised Code; in the case of a union cemetery district, the clerk of the municipal corporation designated in section 759.34 of the Revised Code; in the case of a children's home district, educational service center, general health district, joint-county alcohol, drug addiction, and mental health service district, county library district, detention facility district, district organized under section 2151.65 of the Revised Code, a combined district organized under sections 2152.41 and 2151.65 of the Revised Code, or a metropolitan park district for which no treasurer has been appointed pursuant to section 1545.07 of the Revised Code, the county auditor of the county designated by law to act as the auditor of the district; in the case of a metropolitan park district which has appointed a treasurer pursuant to section 1545.07 of the Revised Code, that treasurer; in the case of a drainage improvement district, the auditor of the county in which the drainage improvement district is located; in the case of a regional student education district, the fiscal officer appointed pursuant to section 3313.82 of the Revised Code; and in all other cases, the officer responsible for keeping the appropriation accounts and drawing warrants for the expenditure of the moneys of the district or taxing unit.

(E) "Permanent improvement" or "improvement" means any property, asset, or improvement with an estimated life or usefulness of five years or more, including land and interests therein, and reconstructions, enlargements, and extensions thereof having an estimated life or usefulness of five years or more.

(F) "Current operating expenses" and "current expenses" mean the lawful expenditures of a subdivision, except those for permanent improvements, and except payments for interest, sinking fund, and retirement of bonds, notes, and certificates of indebtedness of the subdivision.

(G) "Debt charges" means interest, sinking fund, and retirement charges on bonds, notes, or certificates of indebtedness.

(H) "Taxing unit" means any subdivision or other governmental district having authority to levy taxes on the property in the district or issue bonds that constitute a charge against the property of the district, including conservancy districts, metropolitan park districts, sanitary districts, road districts, and other districts.

(I) "District authority" means any board of directors, trustees, commissioners, or other officers controlling a district institution or activity that

derives its income or funds from two or more subdivisions, such as the educational service center, the trustees of district children's homes, the district board of health, a joint-county alcohol, drug addiction, and mental health service district's board of alcohol, drug addiction, and mental health services, detention facility districts, a joint recreation district board of trustees, districts organized under section 2151.65 of the Revised Code, combined districts organized under sections 2152.41 and 2151.65 of the Revised Code, and other such boards.

(J) "Tax list" and "tax duplicate" mean the general tax lists and duplicates prescribed by sections 319.28 and 319.29 of the Revised Code.

(K) "Property" as applied to a tax levy means taxable property listed on general tax lists and duplicates.

(L) "School library district" means a school district in which a free public library has been established that is under the control and management of a board of library trustees as provided in section 3375.15 of the Revised Code."

Between lines 81095 and 81096, insert:

" **Sec. 5705.2111.** (A) If the board of directors of a regional student education district created under section 3313.82 of the Revised Code desires to levy a tax in excess of the ten-mill limitation throughout the district for the purpose of funding the services to be provided by the district to students enrolled in the school districts of which the district is composed and their immediate family members, the board shall propose the levy to each of the boards of education of those school districts. The proposal shall specify the rate or amount of the tax, the number of years the tax will be levied or that it will be levied for a continuing period of time, and that the aggregate rate of the tax shall not exceed three mills per dollar of taxable value in the regional student education district.

(B)(1) If a majority of the boards of education of the school districts of which the regional student education district is composed approves the proposal for the tax levy, the board of directors of the regional student education district may adopt a resolution approved by a majority of the board's full membership declaring the necessity of levying the proposed tax in excess of the ten-mill limitation throughout the district for the purpose of funding the services to be provided by the district to students enrolled in the school districts of which the district is composed and their immediate family members. The resolution shall provide for the question of the tax to be submitted to the electors of the district at a general, primary, or special election on a day to be specified in the resolution that is consistent with the requirements of section 3501.01 of the Revised Code and that occurs at least seventy-five days after the resolution is certified to the board of elections. The resolution shall specify the rate or amount of the tax and the number of years the tax will be levied or that the tax will be levied for a continuing period of time. The aggregate rate of tax levied by a regional student education district under this section at any time shall not exceed three mills per dollar of taxable value in the district. A tax levied under this section may be renewed, subject to section 5705.25 of the Revised Code, or replaced as

provided in section 5705.192 of the Revised Code.

(2) The resolution shall take effect immediately upon passage, and no publication of the resolution is necessary other than that provided in the notice of election. The resolution shall be certified and submitted in the manner provided under section 5705.25 of the Revised Code, and that section governs the arrangements governing submission of the question and other matters concerning the election.

Sec. 5705.25. (A) A copy of any resolution adopted as provided in section 5705.19 or 5705.2111 of the Revised Code shall be certified by the taxing authority to the board of elections of the proper county not less than seventy-five days before the general election in any year, and the board shall submit the proposal to the electors of the subdivision at the succeeding November election. Except as otherwise provided in this division, a resolution to renew an existing levy, regardless of the section of the Revised Code under which the tax was imposed, shall not be placed on the ballot unless the question is submitted at the general election held during the last year the tax to be renewed or replaced may be extended on the real and public utility property tax list and duplicate, or at any election held in the ensuing year. The limitation of the foregoing sentence does not apply to a resolution to renew and increase or to renew part of an existing levy that was imposed under section 5705.191 of the Revised Code to supplement the general fund for the purpose of making appropriations for one or more of the following purposes: for public assistance, human or social services, relief, welfare, hospitalization, health, and support of general hospitals. The limitation of the second preceding sentence also does not apply to a resolution that proposes to renew two or more existing levies imposed under section 5705.21 of the Revised Code, in which case the question shall be submitted on the date of the general or primary election held during the last year at least one of the levies to be renewed may be extended on the real and public utility property tax list and duplicate, or at any election held during the ensuing year. For purposes of this section, a levy shall be considered to be an "existing levy" through the year following the last year it can be placed on that tax list and duplicate.

The board shall make the necessary arrangements for the submission of such questions to the electors of such subdivision, and the election shall be conducted, canvassed, and certified in the same manner as regular elections in such subdivision for the election of county officers. Notice of the election shall be published in a newspaper of general circulation in the subdivision once a week for two consecutive weeks prior to the election, and, if the board of elections operates and maintains a web site, the board of elections shall post notice of the election on its web site for thirty days prior to the election. The notice shall state the purpose, the proposed increase in rate expressed in dollars and cents for each one hundred dollars of valuation as well as in mills for each one dollar of valuation, the number of years during which the increase will be in effect, the first month and year in which the tax will be levied, and the time and place of the election.

(B) The form of the ballots cast at an election held pursuant to division (A) of this section shall be as follows:

"An additional tax for the benefit of (name of subdivision or public library) ..... for the purpose of (purpose stated in the resolution) ..... at a rate not exceeding ..... mills for each one dollar of valuation, which amounts to (rate expressed in dollars and cents) ..... for each one hundred dollars of valuation, for ..... (life of indebtedness or number of years the levy is to run).

	For the Tax Levy
	Against the Tax Levy

"

(C) If the levy is to be in effect for a continuing period of time, the notice of election and the form of ballot shall so state instead of setting forth a specified number of years for the levy.

If the tax is to be placed on the current tax list, the form of the ballot shall be modified by adding, after the statement of the number of years the levy is to run, the phrase ", commencing in ..... (first year the tax is to be levied), first due in calendar year ..... (first calendar year in which the tax shall be due)."

If the levy submitted is a proposal to renew, increase, or decrease an existing levy, the form of the ballot specified in division (B) of this section may be changed by substituting for the words "An additional" at the beginning of the form, the words "A renewal of a" in case of a proposal to renew an existing levy in the same amount; the words "A renewal of ..... mills and an increase of ..... mills to constitute a" in the case of an increase; or the words "A renewal of part of an existing levy, being a reduction of ..... mills, to constitute a" in the case of a decrease in the proposed levy.

If the levy submitted is a proposal to renew two or more existing levies imposed under section 5705.21 of the Revised Code, the form of the ballot specified in division (B) of this section shall be modified by substituting for the words "an additional tax" the words "a renewal of ....(insert the number of levies to be renewed) existing taxes."

The question covered by such resolution shall be submitted as a separate proposition but may be printed on the same ballot with any other proposition submitted at the same election, other than the election of officers. More than one such question may be submitted at the same election.

(D) A levy voted in excess of the ten-mill limitation under this section shall be certified to the tax commissioner. In the first year of the levy, it shall be extended on the tax lists after the February settlement succeeding the election. If the additional tax is to be placed upon the tax list of the current year, as specified in the resolution providing for its submission, the result of the election shall be certified immediately after the canvass by the board of elections to the taxing authority, who shall make the necessary levy and certify it to the county auditor,

who shall extend it on the tax lists for collection. After the first year, the tax levy shall be included in the annual tax budget that is certified to the county budget commission."

In line 90912, after "5703.80," insert "5705.01,"; after "5705.214," insert "5705.25,"

In line 160 of the title, after "5703.80," insert "5705.01,"; after "5705.214," insert "5705.25,"

In line 200 of the title, after "3313.719," insert "3313.82,"

In line 218 of the title, after "5705.2110," insert "5705.2111,"

Between lines 103333 and 103334, insert:

"**Section 525.__.** INTERIM BUDGET RECONCILIATION

All amounts expended or encumbered from interim budget appropriations made in Am. Sub. H.B. 16 of the 128th General Assembly, H.B. 245 of the 128th General Assembly, or any successive act providing such interim budget appropriations shall be deducted from the appropriate line item appropriations made in this act. The Director of Budget and Management shall make any necessary adjustments to the appropriate line item appropriations to carry out this Section."

In line 94213, delete "$212,486" and insert "$100,000"

In line 427, after "121.376," insert "122.12, 122.121,"

Between lines 6843 and 6844, insert:

" **Sec. 122.12.** As used in this section and in section 122.121 of the Revised Code:

(A) "Endorsing county" means a county that contains a site selected by a site selection organization for one or more games.

(B) "Endorsing municipality" means a municipal corporation that contains a site selected by a site selection organization for one or more games.

(C) "Game support contract" means a joinder undertaking, joinder agreement, or similar contract executed by an endorsing municipality or endorsing county and a site selection organization.

(D) "Game" means a national football league "super bowl," a national collegiate athletic association championship game, the national basketball association all-star game, the national hockey league all-star game, the major league baseball all-star game, a national collegiate athletic association bowl championship series game, a world cup soccer game, the nation senior games, or the olympic games.

(E) "Joinder agreement" means an agreement entered into by an endorsing municipality or endorsing county, or more than one endorsing

municipality or county acting collectively and a site selection organization setting out representations and assurances by each endorsing municipality or endorsing county in connection with the selection of a site in this state for the location of a game.

(F) "Joinder undertaking" means an agreement entered into by an endorsing municipality or endorsing county, or more than one endorsing municipality or county acting collectively and a site selection organization that each endorsing municipality or endorsing county will execute a joinder agreement in the event that the site selection organization selects a site in this state for a game.

(G) "Local organizing committee" means a nonprofit corporation or its successor in interest that:

(1) Has been authorized by an endorsing municipality, endorsing county, or more than one endorsing municipality or county acting collectively to pursue an application and bid on the applicant's behalf to a site selection organization for selection as the site of one or more games; or

(2) With the authorization of an endorsing municipality, endorsing county, or more than one endorsing municipality or county acting collectively, has executed an agreement with a site selection organization regarding a bid to host one or more games.

(H) "Site selection organization" means the national football league, the national collegiate athletic association, the national basketball association, the national hockey league, major league baseball, the federation internationale de football association, the international world games association, the United States olympic committee, the national senior games association, or the national governing body of a sport that is recognized as such by the United States olympic committee.

Sec. 122.121. (A) If an endorsing municipality or endorsing county enters into a joinder undertaking with a site selection organization, the endorsing municipality or endorsing county may apply to the director of development, on a form and in the manner prescribed by the director, for a grant based on the projected incremental increase in the receipts from the tax imposed under section 5739.02 of the Revised Code within the market area designated under division (C) of this section, for the two-week period that ends at the end of the day after the date on which a game will be held, that is directly attributable, as determined by the director, to the preparation for and presentation of the game. The director shall determine the projected incremental increase in the tax imposed under section 5739.02 of the Revised Code from information certified to the director by the endorsing municipality or the endorsing county including, but not limited to, historical attendance and ticket sales for the game, income statements showing revenue and expenditures for the game in prior years, attendance capacity at the proposed venues, event budget at the proposed venues, and projected lodging room nights based on historical attendance, attendance

capacity at the proposed venues, and duration of the game and related activities. The endorsing municipality or endorsing county is eligible to receive a grant under this section only if the projected incremental increase in receipts from the tax imposed under section 5739.02 of the Revised Code, as determined by the director, exceeds two hundred fifty thousand dollars. The amount of the grant shall be determined by the director but shall not exceed five hundred thousand dollars. The director shall not issue grants with a total value of more than one million dollars in any fiscal year, and shall not issue any grant before July 1, 2011.

(B) If the director of development approves an application for an endorsing municipality or endorsing county and that endorsing municipality or endorsing county enters into a joinder agreement with a site selection organization, the endorsing municipality or endorsing county shall file a copy of the joinder agreement with the director of development, who immediately shall notify the director of budget and management of the filing. Within thirty days after receiving the notice, the director of budget and management shall establish a schedule to disburse from the general revenue fund to such endorsing municipality or endorsing county payments that total the amount certified by the director of development under division (A) of this section, but in no event shall the total amount disbursed exceed five hundred thousand dollars, and no disbursement shall be made before July 1, 2011. The payments shall be used exclusively by the endorsing municipality or endorsing county to fulfill a portion of its obligations to a site selection organization under game support contracts, which obligations may include the payment of costs relating to the preparations necessary for the conduct of the game, including acquiring, renovating, or constructing facilities; to pay the costs of conducting the game; and to assist the local organizing committee, endorsing municipality, or endorsing county in providing assurances required by a site selection organization sponsoring one or more games.

(C) For the purposes of division (A) of this section, the director of development, in consultation with the tax commissioner, shall designate as a market area for a game each area in which they determine there is a reasonable likelihood of measurable economic impact directly attributable to the preparation for and presentation of the game and related events, including areas likely to provide venues, accommodations, and services in connection with the game based on the information and the copy of the joinder undertaking provided to the director under divisions (A) and (B) of this section. The director and commissioner shall determine the geographic boundaries of each market area. An endorsing municipality or endorsing county that has been selected as the site for a game must be included in a market area for the game.

(D) A local organizing committee, endorsing municipality, or endorsing county shall provide information required by the director of development and tax commissioner to enable the director and commissioner to fulfill their duties under this section, including annual audited statements of any financial records required by a site selection organization and data obtained by the local

organizing committee, endorsing municipality, or endorsing county relating to attendance at a game and to the economic impact of the game. A local organizing committee, an endorsing municipality, or an endorsing county shall provide an annual audited financial statement if so required by the director and commissioner, not later than the end of the fourth month after the date the period covered by the financial statement ends.

(E) Within sixty days after the game, the endorsing municipality or the endorsing county shall report to the director of development about the economic impact of the game. The report shall be in the form and substance required by the director, including, but not limited to, a final income statement for the event showing total revenue and expenditures and revenue and expenditures in the market area for the game, and ticket sales for the game and any related activities for which admission was charged. The director of development shall determine, based on the reported information and the exercise of reasonable judgment, the incremental increase in receipts from the tax imposed under section 5739.02 of the Revised Code directly attributable to the game. If the actual incremental increase in such receipts is less than the projected incremental increase in receipts, the director may require the endorsing municipality or the endorsing county to refund to the state all or a portion of the grant.

(F) No disbursement may be made under this section if the director of development determines that it would be used for the purpose of soliciting the relocation of a professional sports franchise located in this state.

(G) This section may not be construed as creating or requiring a state guarantee of obligations imposed on an endorsing municipality or endorsing county under a game support contract or any other agreement relating to hosting one or more games in this state."

In line 183 of the title, after "121.376," insert "122.12, 122.121,"

In line 341, after "3301.56," insert "3301.57,"

Between lines 34257 and 34258, insert:

"**Sec. 3301.57.** (A) For the purpose of improving programs, facilities, and implementation of the standards promulgated by the state board of education under section 3301.53 of the Revised Code, the state department of education shall provide consultation and technical assistance to school districts, county MR/DD boards, and eligible nonpublic schools operating preschool programs or school child programs, and inservice training to preschool staff members, school child program staff members, and nonteaching employees.

(B) The department and the school district board of education, county MR/DD board, or eligible nonpublic school shall jointly monitor each preschool program and each school child program.

If the program receives any grant or other funding from the state or federal government, the department annually shall monitor all reports on attendance, financial support, and expenditures according to provisions for use

of the funds.

(C) The department of education, at least ~~twice~~ once during every twelve-month period of operation of a preschool program or a licensed school child program, shall inspect the program and provide a written inspection report to the superintendent of the school district, county MR/DD board, or eligible nonpublic school. ~~At least one inspection shall be unannounced, and all~~ The department may inspect any program more than once, as considered necessary by the department, during any twelve-month period of operation. All inspections may be unannounced. No person shall interfere with any inspection conducted pursuant to this division or to the rules adopted pursuant to sections 3301.52 to 3301.59 of the Revised Code.

Upon receipt of any complaint that a preschool program or a licensed school child program is out of compliance with the requirements in sections 3301.52 to 3301.59 of the Revised Code or the rules adopted under those sections, the department shall investigate and may inspect the program.

(D) If a preschool program or a licensed school child program is determined to be out of compliance with the requirements of sections 3301.52 to 3301.59 of the Revised Code or the rules adopted under those sections, the department of education shall notify the appropriate superintendent, county MR/DD board, or eligible nonpublic school in writing regarding the nature of the violation, what must be done to correct the violation, and by what date the correction must be made. If the correction is not made by the date established by the department, it may commence action under Chapter 119. of the Revised Code to close the program or to revoke the license of the program. If a program does not comply with an order to cease operation issued in accordance with Chapter 119. of the Revised Code, the department shall notify the attorney general, the prosecuting attorney of the county in which the program is located, or the city attorney, village solicitor, or other chief legal officer of the municipal corporation in which the program is located that the program is operating in violation of sections 3301.52 to 3301.59 of the Revised Code or the rules adopted under those sections and in violation of an order to cease operation issued in accordance with Chapter 119. of the Revised Code. Upon receipt of the notification, the attorney general, prosecuting attorney, city attorney, village solicitor, or other chief legal officer shall file a complaint in the court of common pleas of the county in which the program is located requesting the court to issue an order enjoining the program from operating. The court shall grant the requested injunctive relief upon a showing that the program named in the complaint is operating in violation of sections 3301.52 to 3301.59 of the Revised Code or the rules adopted under those sections and in violation of an order to cease operation issued in accordance with Chapter 119. of the Revised Code.

(E) The department of education shall prepare an annual report on inspections conducted under this section. The report shall include the number of inspections conducted, the number and types of violations found, and the steps taken to address the violations. The department shall file the report with the

governor, the president and minority leader of the senate, and the speaker and minority leader of the house of representatives on or before the first day of January of each year, beginning in 1999."

In line 90843, after "3301.56," insert "3301.57,"

In line 106538, after "3301.164," insert "3301.57,"

In line 65 of the title, after "3301.56," insert "3301.57,"

Between lines 101607 and 101608, insert:

"**Section __.** PUBLIC LIBRARY FUND ALLOCATION

Notwithstanding any provision of law to the contrary, for the period August 1, 2009, to June 30, 2011, the monthly allocation made to the Public Library Fund under section 131.51 of the Revised Code shall be one and ninety-seven one hundredths per cent of the total tax revenue credited to the General Revenue Fund in the preceding month. In determining the total tax revenue credited to the General Revenue Fund during the preceding month, the Director of Budget and Management shall include amounts transferred from that fund during the preceding month pursuant to this section and divisions (A) and (B) of section 131.51 of the Revised Code."

In line 390, after "4741.46," insert "4751.07,"

Between lines 69994 and 69995, insert:

"**Sec. 4751.07.** (A) Every individual who holds a valid license as a nursing home administrator issued under division (A) of section 4751.06 of the Revised Code, shall immediately upon issuance thereof be registered with the board of examiners of nursing home administrators and be issued a certificate of registration. Such individual shall annually apply to the board for a new certificate of registration on forms provided for such purpose prior to the expiration of the certificate of registration and shall at the same time submit satisfactory evidence to the board of having attended such continuing education programs or courses of study as may be prescribed in rules adopted by the board.

(B) Upon making an application for a new certificate of registration such individual shall pay the annual registration fee of ~~two~~ three hundred ~~fifty~~ dollars.

(C) Upon receipt of such application for registration and the registration fee required by divisions (A) and (B) of this section, the board shall issue a certificate of registration to such nursing home administrator.

(D) The license of a nursing home administrator who fails to comply with this section shall automatically lapse.

(E) A nursing home administrator who has been licensed and registered in this state who determines to temporarily abandon the practice of nursing home administration shall notify the board in writing immediately; provided, that such individual may thereafter register to resume the practice of nursing home administration within the state upon complying with the requirements of this

section regarding annual registration.

(F) Only an individual who has qualified as a licensed and registered nursing home administrator under Chapter 4751. of the Revised Code and the rules adopted thereunder, and who holds a valid current registration certificate pursuant to this section, may use the title "nursing home administrator," or the abbreviation "N.H.A." after the individual's name. No other person shall use such title or such abbreviation or any other words, letters, sign, card, or device tending to indicate or to imply that the person is a licensed and registered nursing home administrator.

(G) Every person holding a valid license entitling the person to practice nursing home administration in this state shall display said license in the nursing home which is the person's principal place of employment, and while engaged in the practice of nursing home administration shall have at hand the current registration certificate.

(H) Every person holding a valid temporary license shall have such license at hand while engaged in the practice of nursing home administration."

In line 90892, after "4741.46," insert "4751.07,"

In line 133 of the title, after "4741.46," insert "4751.07,"

In line 340, after "3301.0714," insert "3301.0715,"

In line 346, after "3319.08," insert "3319.088,"

In line 349, after "3319.391," insert "3319.41,"

In line 33494, strike through all after "(j)"

In line 33495, strike through "(k)"

In line 33496, strike through "(l)" and insert " (k)"

In line 33497, strike through "(m)" and insert " (l)"

In line 33500, strike through "(n)" and insert " (m)"

In line 33505, strike through "(o)" and insert " (n)"

In line 33886, strike through "(o)" and insert " (n)"

Between lines 33894 and 33895, insert:

"**Sec. 3301.0715.** (A) Except as provided in division (E) of this section, the board of education of each city, local, and exempted village school district shall administer each applicable diagnostic assessment developed and provided to the district in accordance with section 3301.079 of the Revised Code to the following:

(1) Each student enrolled in a building that has failed to make adequate yearly progress for two or more consecutive school years;

(2) Any student who transfers into the district or to a different school

within the district if each applicable diagnostic assessment was not administered by the district or school the student previously attended in the current school year, within thirty days after the date of transfer. If the district or school into which the student transfers cannot determine whether the student has taken any applicable diagnostic assessment in the current school year, the district or school may administer the diagnostic assessment to the student.

(3) Each kindergarten student, not earlier than four weeks prior to the first day of school and not later than the first day of October. For the purpose of division (A)(3) of this section, the district shall administer the kindergarten readiness assessment provided by the department of education. In no case shall the results of the readiness assessment be used to prohibit a student from enrolling in kindergarten.

(4) Each student enrolled in first or second grade.

(B) Each district board shall administer each diagnostic assessment as the board deems appropriate. However, the board shall administer any diagnostic assessment at least once annually to all students in the appropriate grade level. A district board may administer any diagnostic assessment in the fall and spring of a school year to measure the amount of academic growth attributable to the instruction received by students during that school year.

(C) Each district board shall utilize and score any diagnostic assessment administered under division (A) of this section in accordance with rules established by the department. Except as required by division (B)(1) ~~(o)~~ (n) of section 3301.0714 of the Revised Code, neither the state board of education nor the department shall require school districts to report the results of diagnostic assessments for any students to the department or to make any such results available in any form to the public. After the administration of any diagnostic assessment, each district shall provide a student's completed diagnostic assessment, the results of such assessment, and any other accompanying documents used during the administration of the assessment to the parent of that student upon the parent's request.

(D) Each district board shall provide intervention services to students whose diagnostic assessments show that they are failing to make satisfactory progress toward attaining the academic standards for their grade level.

(E) Any district that made adequate yearly progress in the immediately preceding school year may assess student progress in grades one through three using a diagnostic assessment other than the diagnostic assessment required by division (A) of this section.

(F) A district board may administer the third grade writing diagnostic assessment provided to the district in accordance with section 3301.079 of the Revised Code to any student enrolled in a building that is not subject to division (A)(1) of this section. Any district electing to administer the diagnostic assessment to students under this division shall provide intervention services to any such student whose diagnostic assessment shows unsatisfactory progress

toward attaining the academic standards for the student's grade level.

(G) As used in this section, "adequate yearly progress" has the same meaning as in section 3302.01 of the Revised Code."

In line 38423, after "3319.391," insert " 3319.41,"

Between lines 41446 and 41447, insert:

"**Sec. 3319.088.** As used in this section, "educational assistant" means any nonteaching employee in a school district who directly assists a teacher as defined in section 3319.09 of the Revised Code, by performing duties for which a license issued pursuant to sections 3319.22 to 3319.30 of the Revised Code is not required.

(A) The state board of education shall issue educational aide permits and educational paraprofessional licenses for educational assistants and shall adopt rules for the issuance and renewal of such permits and licenses which shall be consistent with the provisions of this section. Educational aide permits and educational paraprofessional licenses may be of several types and the rules shall prescribe the minimum qualifications of education, health, and character for the service to be authorized under each type. The prescribed minimum qualifications may require special training or educational courses designed to qualify a person to perform effectively the duties authorized under an educational aide permit or educational paraprofessional license.

(B)(1) Any application for a permit or license, or a renewal or duplicate of a permit or license, under this section shall be accompanied by the payment of a fee in the amount established under division (A) of section 3319.51 of the Revised Code. Any fees received under this division shall be paid into the state treasury to the credit of the state board of education licensure fund established under division (B) of section 3319.51 of the Revised Code.

(2) Any person applying for or holding a permit or license pursuant to this section is subject to sections 3123.41 to 3123.50 of the Revised Code and any applicable rules adopted under section 3123.63 of the Revised Code and sections 3319.31 and 3319.311 of the Revised Code.

(C) Educational assistants shall at all times while in the performance of their duties be under the supervision and direction of a teacher as defined in section 3319.09 of the Revised Code. Educational assistants may assist a teacher to whom assigned in the supervision of pupils, in assisting with instructional tasks, and in the performance of duties which, in the judgment of the teacher to whom the assistant is assigned, may be performed by a person not licensed pursuant to sections 3319.22 to 3319.30 of the Revised Code and for which a teaching license, issued pursuant to sections 3319.22 to 3319.30 of the Revised Code is not required. The duties of an educational assistant shall not include the assignment of grades to pupils. The duties of an educational ~~assistants~~ assistant need not be performed in the physical presence of the teacher to whom assigned, but the activity of an educational assistant shall at all times be under the

direction of the teacher to whom assigned. The assignment of an educational assistant need not be limited to assisting a single teacher. In the event an educational assistant is assigned to assist more than one teacher the assignments shall be clearly delineated and so arranged that the educational assistant shall never be subject to simultaneous supervision or direction by more than one teacher.

Educational assistants assigned to supervise children shall, when the teacher to whom assigned is not physically present, maintain the degree of control and discipline ~~which~~ that would be maintained by the teacher ~~, but an educational assistant may not render corporal punishment~~.

Except when expressly permitted solely for the purposes of section 3317.029 of the Revised Code, educational assistants may not be used in place of classroom teachers or other employees and any payment of compensation by boards of education to educational assistants for such services is prohibited. The ratio between the number of licensed teachers and the pupils in a school district may not be decreased by utilization of educational assistants and no grouping, or other organization of pupils, for utilization of educational assistants shall be established which is inconsistent with sound educational practices and procedures. A school district may employ up to one full time equivalent educational assistant for each six full time equivalent licensed employees of the district. Educational assistants shall not be counted as licensed employees for purposes of state support in the school foundation program and no grouping or regrouping of pupils with educational assistants may be counted as a class or unit for school foundation program purposes. Neither special courses required by the regulations of the state board of education, prescribing minimum qualifications of education for an educational assistant, nor years of service as an educational assistant shall be counted in any way toward qualifying for a teacher license, for a teacher contract of any type, or for determining placement on a salary schedule in a school district as a teacher.

(D) Educational assistants employed by a board of education shall have all rights, benefits, and legal protection available to other nonteaching employees in the school district, except that provisions of Chapter 124. of the Revised Code shall not apply to any person employed as an educational assistant, and shall be members of the school employees retirement system. Educational assistants shall be compensated according to a salary plan adopted annually by the board.

Except as provided in this section nonteaching employees shall not serve as educational assistants without first obtaining an appropriate educational aide permit or educational paraprofessional license from the state board of education. A nonteaching employee who is the holder of a valid educational aide permit or educational paraprofessional license shall neither render nor be required to render services inconsistent with the type of services authorized by the permit or license held. No person shall receive compensation from a board of education for services rendered as an educational assistant in violation of this provision.

Nonteaching employees whose functions are solely secretarial-clerical

and who do not perform any other duties as educational assistants, even though they assist a teacher and work under the direction of a teacher shall not be required to hold a permit or license issued pursuant to this section. Students preparing to become licensed teachers or educational assistants shall not be required to hold an educational aide permit or paraprofessional license for such periods of time as such students are assigned, as part of their training program, to work with a teacher in a school district. Such students shall not be compensated for such services.

Following the determination of the assignment and general job description of an educational assistant and subject to supervision by the teacher's immediate administrative officer, a teacher to whom an educational assistant is assigned shall make all final determinations of the duties to be assigned to such assistant. Teachers shall not be required to hold a license designated for being a supervisor or administrator in order to perform the necessary supervision of educational assistants.

(E) No person who is, or who has been employed as an educational assistant shall divulge, except to the teacher to whom assigned, or the administrator of the school in the absence of the teacher to whom assigned, or when required to testify in a court or proceedings, any personal information concerning any pupil in the school district which was obtained or obtainable by the educational assistant while so employed. Violation of this provision is grounds for disciplinary action or dismissal, or both."

Between lines 42763 and 42764, insert:

"**Sec. 3319.41.** (A) ~~(1) Beginning September 1, 1994, and except as provided in division (C) of this section, no~~ No person employed or engaged as a teacher, principal, administrator, nonlicensed school employee, or bus driver in a public school may inflict or cause to be inflicted corporal punishment as a means of discipline upon a pupil attending such school ~~, unless the board of education of the school district in which the school is located adopts a resolution no later than September 1, 1994, to permit corporal punishment as a means of discipline and does not adopt a resolution prohibiting corporal punishment pursuant to division (B) of this section. No board shall adopt a resolution permitting corporal punishment before receiving and studying the report of the local discipline task force appointed under division (A)(2) of this section.~~

~~(2) The board of education of each city, local, exempted village, and joint vocational school district that has not adopted a rule prohibiting corporal punishment under section 3313.20 of the Revised Code prior to the effective date of this amendment shall appoint, and any board that has adopted a rule under that section prior to the effective date of this amendment may appoint, no later than April 1, 1994, a local discipline task force to conduct a study of effective discipline measures that are appropriate for that school district. Members of the task force shall include teachers, administrators, nonlicensed school employees, school psychologists, members of the medical profession, pediatricians when available, and representatives of parents' organizations.~~

~~The task force shall hold meetings regularly. All meetings of the task force shall be open to the public and at least one of the meetings shall be for the purpose of inviting public participation. The board of education shall provide public notice of any public meeting of the task force in newspapers or other periodicals of general circulation in the school district. The task force shall report its findings and recommendations in writing to the board of education no later than July 15, 1994. The task force's written report must be available for inspection by the public at the board's offices for at least five years after being submitted to the board~~.

(B) ~~(1) At any time after September 1, 1996, the board of education of any city, local, exempted village, or joint vocational school district in which corporal punishment is permitted may adopt a resolution to prohibit corporal punishment. After the adoption of a resolution prohibiting corporal punishment pursuant to division (B)(1) of this section, the board of education of any city, local, exempted village, or joint vocational school district may adopt a resolution permitting corporal punishment after complying with division (B)(3) of this section.~~

~~(2) At any time after September 1, 1998, the board of education of any city, local, exempted village, or joint vocational school district that did not adopt a resolution permitting corporal punishment as a means of discipline pursuant to division (A)(1) of this section may adopt a resolution permitting corporal punishment after complying with division (B)(3) of this section.~~

~~(3)(a) The board of education of each city, local, exempted village, and joint vocational school district that intends to adopt a resolution permitting corporal punishment as a means of discipline pursuant to division (B)(1) or (2) of this section may adopt that resolution permitting corporal punishment as a means of discipline only after receiving and studying the report of the secondary local discipline task force appointed under division (B)(3)(b) of this section.~~

~~(b) Any board of education described in division (B)(1) or (2) of this section that intends to adopt a resolution permitting corporal punishment as a means of discipline shall appoint a secondary local discipline task force to conduct a study of effective discipline measures that are appropriate for that school district. Membership on the secondary local discipline task force shall consist of the same types of persons that are required to be included as members of the local discipline task force pursuant to division (A)(2) of this section. The secondary local discipline task force shall follow the same procedures with respect to holding meetings, the provision of public notice, and the production and inspection of a written report of findings and recommendations that are applicable to the local discipline task force pursuant to division (A)(2) of this section, except that the secondary local discipline task force is not required to present its written report to the board of education on a date that is no later than July 15, 1994.~~

~~(C) The prohibition of corporal punishment by division (A) of this section or by a resolution adopted under division (B) of this section does not~~

~~prohibit the use of reasonable force or restraint in accordance with division (C) of this section.~~

~~(D) If the board of education of any city, local, exempted village, or joint vocational school district does not prohibit corporal punishment on the effective date of this amendment but at any time after that date corporal punishment will be prohibited in the district pursuant to division (A)(1) or (B) of this section, the board shall do both of the following prior to the date on which the prohibition takes effect:~~

~~(1) Adopt a disciplinary policy for the district that includes alternative disciplinary measures;~~

~~(2) Consider what in-service training, if any, school district employees might need as part of implementing the policy adopted under division (D)(1) of this section.~~

~~(E)~~ A person employed or otherwise engaged as a teacher, principal, or administrator ~~by a board of education permitting corporal punishment pursuant to division (A)(1) of this section or~~ by a nonpublic school, except as otherwise provided by the governing authority of the nonpublic school, may inflict or cause to be inflicted reasonable corporal punishment upon a pupil attending the school to which the person is assigned whenever such punishment is reasonably necessary in order to preserve discipline while the student is subject to school authority.

~~(F) A board of education of a school district that permits the use of corporal punishment as a means of discipline pursuant to a resolution adopted by the board pursuant to division (A)(1) of this section shall permit as part of its discipline policy the parents, guardian, or custodian of a child that is attending any school within the school district to request that corporal punishment not be used as a means of discipline on that child; upon the receipt of a request of that nature, shall ensure that an alternative disciplinary measure is applied with respect to that child; and shall include a procedure for the exercise of that option in the resolution adopted pursuant to division (A)(1) of this section.~~

~~(G)~~ (C) Persons employed or engaged as teachers, principals, or administrators in a school, whether public or private, and nonlicensed school employees and school bus drivers may, within the scope of their employment, use and apply such amount of force and restraint as is reasonable and necessary to quell a disturbance threatening physical injury to others, to obtain possession of weapons or other dangerous objects upon the person or within the control of the pupil, for the purpose of self-defense, or for the protection of persons or property."

In line 43406, after "3319.391," insert " 3319.41,"

In line 90842, after "3301.0714," insert "3301.0715,"

In line 90848, after "3319.08," insert "3319.088,"

In line 90851, after "3319.391," insert "3319.41,"

In line 65 of the title, after "3301.0714," insert "3301.0715,"

In line 73 of the title, after "3319.08," insert "3319.088,"

In line 76 of the title, after "3319.391," insert "3319.41,"

Strike through lines 76888 through 76907

Delete lines 100210 through 100217

Between lines 96380 and 96381, insert:

"Of the foregoing appropriation item 935409, Technology Operations, $2,000,000 in fiscal year 2010 shall be used by eTech Ohio to contract with an entity to provide a common statewide platform and online advanced placement courses to public school students in Ohio and, $1,000,000 in fiscal year 2011 shall be used to maintain the clearinghouse established under section 3333.82 of the Revised Code for online advanced placement courses. School districts that have students participating in the program shall not be charged a fee in fiscal year 2010, but may be charged a fee in fiscal year 2011 through the clearinghouse. Students participating in the program shall receive services free of charge.

An amount equal to the unexpended, unencumbered portion of the foregoing appropriation item 935409, at the end of fiscal year 2010 is hereby reappropriated in fiscal year 2011 to continue to support the statewide platform and to maintain the clearinghouse."

In line 96381, delete "foregoing" and insert "remainder of"

In line 94310, delete "at no cost to applicants,"

In line 14530, delete " lender" and insert " issuer"

In line 14558, delete everything after " ~~(6)~~"

Delete lines 14559 through 14563

In line 14564, delete " (8)" and insert " (7)"

In line 14566, delete " (9)" and insert " (8)"

In line 14570, delete " (10)" and insert " (9)"

In line 14572, after " state" insert " , being a taxpayer under Chapter 5707., 5725., 5727., 5729., 5733., or 5747. of the Revised Code at the time it may claim and receive a tax credit under division (E) of section 150.07 of the Revised Code,"

In line 14585, delete " its"

In line 14586, after " enterprises" insert " in accordance with the investment policy authorized and required under section 150.03 of the Revised Code,"

In line 14602, strike through all after "of" and insert " three"

In line 14603, strike through "shall be"; strike through "with the advice and"

In line 14604, strike through all before the period and insert " one of whom the governor shall select from a list of three nominees provided by the president of the senate, and one of whom the governor shall select from a list of three nominees provided by the speaker of the house of representatives. If the governor rejects all the nominees provided in either list, the governor shall request that the president of the senate or speaker of the house, as the case may be, provide another list of three nominees, and the president or speaker, as the case may be, shall provide another list of three nominees."; after "All" insert " nominated and"

In line 14609, strike through "be ex officio, nonvoting members" and insert " serve as advisors to the authority but shall not be members and shall not vote on any matter before the authority"

In line 14611, strike through "gubernatorial"

In line 14614, after the period insert " The terms of all members serving on the authority on January 31, 2010, expire on that date, and the three appointees appointed pursuant to the amendment of this section by H.B. 1 of the 128th general assembly shall begin their terms February 1, 2010, with one term expiring January 31, 2012, one term expiring January 31, 2013, and one term expiring January 31, 2014."

In line 14630, strike through "voting"

In line 14632, strike through "voting"

In line 14633, strike through "voting"

In line 14641, delete " shall" and insert " may"

In line 14642, delete " shall"

In line 14644, delete " Any agreement shall" and insert " Such agreements may"

In line 14646, delete " shall provide for"

In line 14647, delete the first " to" and insert " that may"; delete " the issuer or"; after " trustee" insert " for the benefit of the issuer"

In line 14648, after " to" insert " division (E) of"; delete " shall" and insert " are to"

In line 14649, delete " shall provide" and insert " such other"

In line 14651, delete " the" and insert " a"

In line 14674, delete all after "that"

In line 14675, delete all before "a"

In line 14679, delete " all" and insert " both"

In line 14681, reinsert "be"; delete " is"

Delete lines 14684 through 14686

In line 14687, delete " (3)" and insert " (2)"; delete " investment"

In line 14688, delete the first " in" and insert " commitment to"; delete " invested in" and insert " funded into"

In line 14689, delete " in" and insert " to"

In line 14690, delete " invested is" and insert " committed be"

In line 14691, delete " invested in" and insert " funded into"

In line 14697, reinsert all after "fund"

Reinsert line 14698

In line 14699, reinsert "capital fund,"; reinsert "lesser of the"

In line 14700, delete all after "(1)"

Delete lines 14701 through 14706

In line 14707, delete " (a)"

In line 14708, reinsert "(2)(a)"; delete " (b)(i)"

In line 14712, reinsert "(b)"; delete " (ii)"

In line 14718, delete " other than an Ohio"

In line 14719, delete " co-investment fund"

In line 14721, delete all after "fund"

Delete lines 14722 through 14726

In line 14727, delete " administrator"

In line 14767, delete " , including to fund" and insert " to satisfy lenders' losses and restore money used to pay losses from"

In line 14768, after " reserves" insert " established and"; delete " or" and insert " a trustee"

In line 14771, after " Code" insert " . Tax credits shall not be used initially to establish such a reserve or to fund a reserve with respect to any lender's loan as to which no loss has occurred. This division does not prohibit establishment of a reserve from the proceeds of any loan or any obligations issued under section 4582.71 of the Revised Code or from other sources available to the program fund"

In line 14784, after the period insert " The program administrator shall

provide to the authority an estimate of the amount of tax credits, if any, that are likely, in the administrator's reasonable judgment, to be claimed by a lender during the current and next succeeding state fiscal years. The estimate shall be provided at the same time each year that the administrator is required to report the annual audit to the authority under section 150.05 of the Revised Code."

In line 14788, strike through everything after "claimed"

In line 14789, strike through "establishes the investment policy. A" and insert " before July 1, 2007, or after June 30, 2026, except, with respect to loans made from the proceeds of obligations issued under section 4582.71 of the Revised Code, a"; after "claimed" insert " before July 1, 2012, or"

In line 14822, after "certificates" insert " under this section"

In line 14823, after the period insert " The authority shall not issue tax credit certificates under this section in a total amount exceeding three hundred eighty million dollars."

In line 14824, delete " anything in this section or in"

In line 14825, delete " in" and insert " any provision of"

In line 14826, delete " an issuer or a trustee on"

In line 14827, delete everything before the first "the" and insert " if provided by"; delete the second " the" and insert " an"

In line 14829, after the underlined comma insert " and subject to the limitations of divisions (B) and (D) of this section, a trustee shall have"; after " right" insert " , for the benefit of the issuer,"

In line 14830, after " under" insert " division (A) of"; delete the second " and"

Delete line 14831

In line 14832, delete all before " entitled" and insert " solely for the purpose provided for in section 150.04 of the Revised Code, and the trustee shall be"

In line 14834, delete " chapter,"

In line 14835, delete " but solely" and insert " provisions of Chapter 5707., 5725., 5727., 5729., 5733., or 5747. of the Revised Code"

In line 14836, delete " issuer or the"; after the underlined period insert " The trustee shall receive the proceeds of such a tax credit for the benefit of the issuer, and shall apply the proceeds solely to satisfy a loss or restore a reserve as provided in section 150.04 of the Revised Code."; delete " an"

In line 14837, delete " issuer or"

In line 14838, delete " issuer or"

Between lines 14839 and 14840, insert:

" The general assembly may from time to time modify or repeal any of the taxes against which the credits authorized under division (A) of this section may be claimed, and may authorize those credits to be claimed for the purposes provided for in section 150.04 of the Revised Code with respect to any other tax imposed by this state; provided, that if any obligations issued under section 4582.71 of the Revised Code are then outstanding and such modification or repeal would have the effect of impairing any covenant made in or pursuant to an agreement under division (E) of section 150.02 of the Revised Code regarding the maintenance or restoration of reserves established and maintained with a trustee consistent with division (B)(2) of section 150.04 of the Revised Code and such agreement, the state shall provide other security to the extent necessary to avoid or offset the impairment of such covenant."

Delete lines 68557 through 68560

In line 68561, delete " (C)" and insert " (B)"

In line 68567, after the underlined period insert " Activities authorized by Section 2p of Article VIII, Ohio Constitution, shall be authorized purposes of port authorities to the extent necessary for a port authority to act as an issuing authority under this section."

In line 68568, delete " (D)" and insert " (C)"

In line 68588, delete " (E)" and insert " (D)"; delete " issuing authority, the"; delete " or both shall" and insert " for the benefit of the issuing authority, may"

In line 68591, delete " , and" and insert " . If the trustee is so authorized,"

In line 68594, delete " , or"

In line 68595, delete " require the issuing authority to take,"

In line 68597, delete " credits" and insert " credit certificate"; delete " the issuing"

In line 68598, delete " authority or"

In line 68600, delete " an"

Delete lines 68601 and 68602 and insert " shall promptly deposit the proceeds"

In line 68603, delete " (D)" and insert " (C)"

Delete lines 68605 through 68628

In line 68629, delete " (G)" and insert " (E)"

In line 68635, after " interest" insert " or any premium"

In line 68639, delete " both"

In line 68640, after " interest" insert " and any premium"

In line 68644, delete " (H)" and insert " (F)"

In line 68647, after the underlined comma insert " for the purpose of making loans to the program fund to provide for research and development costs,"

In line 68648, delete " the" and insert " such"; delete " of that section"

In line 94432, delete "$2,121,800" and insert "$1,789,943"

Between lines 105455 and 105456, insert:

"**Section 741.01.** For purposes of Sections 741.01, 741.02, 741.03, 741.04, 741.05, 741.06, and 741.07 of this act:

(A) "Appropriate unit" means independent child care providers or independent home care providers, whichever is the subject of the bargaining activity.

(B) "Independent child care provider" means a child care provider categorized under the Revised Code as either a Type A licensed provider who does not meet the definition of employee under the National Labor Relations Act, or a Type B certified or licensed provider or an in-home aide who is not a county or state employee. The terms in this division have the same meanings as the terms defined in Chapter 5104. of the Revised Code.

(C)(1) "Independent home care provider" means any person who meets either of the following criteria:

(a) The person provides home services under a medicaid waiver component as described in section 5111.851 or 5111.87 of the Revised Code.

(b) The person provides home services through a state medicaid plan amendment as described in 42 U.S.C. 1396n(i).

(2) "Independent home care provider" does not include any person employed by a private agency for purposes of performing the activities described in division (C)(1) of this section.

(D) "Provider" means an independent child care provider or an independent home care provider.

(E) "Recipient" means any person receiving the services of an independent child care provider or an independent home care provider, or that person's parent or legal guardian.

(F) "Representative organization" means any employee organization as defined in division (D) of section 4117.01 of the Revised Code or any labor or bona fide organization in which providers participate and that exists for the purpose, in whole or in part, of dealing with the state concerning grievances, wages, hours, terms, and other conditions of employment of providers that are within the control of the state.

Section 741.02. Providers may do all of the following:

(A) Form, join, assist, or participate in, or refrain from forming, joining, assisting, or participating in, except as otherwise provided in sections 741.01 to 741.06 of this act, any representative organization of their own choosing;

(B) Engage in concerted activities, other than those described in division (A) of this section, for the purpose of collective bargaining or other mutual aid and protection;

(C) Be represented by a representative organization;

(D) Bargain collectively with the state to determine wages, hours, terms, other conditions of employment that are within the control of the state, the continuation, modification, or deletion of an existing provision of a collective bargaining agreement, and enter into a collective bargaining agreement.

(E) Present grievances and have them adjusted, without the intervention of the representative organization, so long as the adjustment is not inconsistent with the terms of any collective bargaining agreement then in effect and the representative organization has the opportunity to be present at the adjustment.

Section 741.03. (A) A representative organization shall become the exclusive representative of all the providers in an appropriate unit for the purpose of collective bargaining by satisfying either of the following criteria:

(1) Being certified by an impartial election monitor as described in the governor's executive order 2008-02S for independent child care providers or the governor's executive order 2007-23S for independent home care providers;

(2) Filing a request with the state for recognition as an exclusive representative, as described in division (B) of this section, a copy of which shall be sent to the state employment relations board.

(B)(1) In the request for recognition, the representative organization shall do all of the following:

(a) Describe the bargaining unit;

(b) Allege that a majority of the providers in the bargaining unit wish to be represented by the representative organization;

(c) Support the request with substantial evidence based on, and in accordance with, rules prescribed by the state employment relations board demonstrating that a majority of the providers in the bargaining unit wish to be represented by the representative organization.

(2) Immediately upon receipt of the request described in divisions (A)(2) and (B)(1) of this section, the state shall request an election in accordance with the same requirements as provided in division (A)(2) of section 4117.07 of the Revised Code.

(C) Nothing in this section shall be construed to permit the state to recognize, or the state employment relations board to certify, a representative organization as an exclusive representative if there is in effect a lawful written

agreement, contract, or memorandum of understanding between the state and another representative organization that, on the effective date of this section, has been recognized by the state as the exclusive representative of the providers in an appropriate unit or that by tradition, custom, practice, election, or negotiation has been the only representative organization representing all providers in the unit. This division does not apply to any agreement that has been in effect in excess of three years. For purposes of this section, extensions of an agreement do not affect the expiration of the original agreement.

Section 741.04. (A) All matters pertaining to wages, hours, terms and other conditions of employment that are within the control of the state, the continuation, modification, or deletion of an existing provision of a collective bargaining agreement shall be subject to collective bargaining between the state and the exclusive representative as described in Section 741.03 of this act, except as otherwise specified in this section.

(B) This section shall not alter the unique relations between providers and recipients of care. The recipient retains the absolute right to choose providers and to control the hiring, termination, and supervision of providers.

(C) This section shall not affect the ability of the state to take appropriate action when a provider is no longer eligible to provide care under state or federal law, or any rules or regulations adopted thereunder.

Section 741.05. The parties to any collective bargaining agreement entered into pursuant to sections 741.01, 741.02, 741.03, and 741.04 of this act shall record that agreement in writing, which is to be executed by all of the parties to the agreement. The agreement shall contain the same provisions as described in divisions (B), (C), and (E) of section 4117.09 of the Revised Code. Such provisions shall apply to the state, its agents or representatives, any representative organization, its agents or representatives, and to providers in the same manner as the same provisions apply to public employers, public employees, and employee organizations as described in Chapter 4117. of the Revised Code.

Section 741.06. The state employment relations board has the same authority as described in sections 4117.12 and 4117.13 of the Revised Code to investigate, hold hearings, make determinations, and issue complaints regarding unfair labor practices, insofar as that authority does not conflict with sections 741.01, 741.02, 741.03, 741.04, 741.05, and 741.06 of this act. For purposes of this section, "unfair labor practice" has the same meaning as in section 4117.11 of the Revised Code, except any provisions applying to public employers shall apply to the state, any provisions applying to employee organizations shall apply to representative organizations, and any provisions applying to public employees shall apply to providers.

Section 741.07. Sections 741.01 to 741.06 of this act shall remain in effect until the end of the current governor's time in office as governor.

In line 96395, delete "$1,104,605" and insert "$731,055"

In line 96396, delete "$1,104,905" and insert "$731,221"

In line 96409, delete "$2,695,736" and insert "$1,810,966"

In line 96410, delete "$2,696,336" and insert "$1,811,376"

In line 96420, delete "$336,965" and insert "$221,902"

In line 96421, delete "$337,003" and insert "$221,952"

In line 96441, delete "$2,675,641" and insert "$1,875,826"

In line 96442, delete "$2,675,966" and insert "$1,879,668"

Between lines 96826 and 96827, insert:

"**Section _____.** LIMITED EXTENSION OF THE MORATORIUM UNDER THE CERTIFICATE OF NEED PROGRAM

(A) As used in this section, "certificate of need" and "long-term care bed" have the same meanings as in section 3702.51 of the Revised Code.

(B) Until the effective date of the actions taken by this act to amend, enact, and repeal sections included within the range consisting of sections 3702.51 to 3702.62 of the Revised Code, the Director of Health shall proceed as follows with respect to a certificate of need application proposing an increase in long-term care beds:

(1) If the application was received during the period beginning July 1, 2009, and ending on the day before the effective date of this section, the Director shall grant the certificate of need only if the proposed increase in long-term care beds is attributable solely to a replacement or relocation of existing long-term care beds within the same county.

(2) If the application is received on or after the effective date of this section, the Director shall accept the application, for review under section 3702.52 of the Revised Code, only if the proposed increase in long-term care beds is attributable solely to a replacement or relocation of existing long-term care beds within the same county.

(3) If a certificate of need is granted to the applicant, the Director shall not authorize additional beds beyond those being replaced or relocated.

(C) If pursuant to division (B)(1) of this section a certificate of need cannot be granted or pursuant to division (B)(2) of this section an application cannot be accepted, the Director shall return to the applicant both the application and the fee that accompanied the application. This division applies to all pending actions regarding applications received before the effective date of the actions taken by this act to amend, enact, and repeal sections included within the range consisting of sections 3702.51 to 3702.62 of the Revised Code.

(D) The provisions of this section are applicable to the Director and the Certificate of Need Program, notwithstanding any conflicting provision of sections 3702.51 to 3702.62 of the Revised Code."

In line 371, after "3767.41," insert "3770.03,"

In line 445, after "3745.50," insert "3770.21,"

Between lines 58047 and 58048, insert:

"**Sec. 3770.03.** (A) The state lottery commission shall promulgate rules under which a statewide lottery may be conducted , which includes, and since the original enactment of this section has included, the authority for the commission to operate video lottery terminal games. Any reference in this chapter to tickets shall not be construed to in any way limit the authority of the commission to operate video lottery terminal games. Nothing in this chapter shall restrict the authority of the commission to promulgate rules related to the operation of games utilizing video lottery terminals as described in section 3770.21 of the Revised Code. The rules shall be promulgated pursuant to Chapter 119. of the Revised Code, except that instant game rules shall be promulgated pursuant to section 111.15 of the Revised Code but are not subject to division (D) of that section. Subjects covered in these rules shall include, but need not be limited to, the following:

(1) The type of lottery to be conducted;

(2) The prices of tickets in the lottery ~~.~~ ;

(3) The number, nature, and value of prize awards, the manner and frequency of prize drawings, and the manner in which prizes shall be awarded to holders of winning tickets.

(B) The commission shall promulgate rules, in addition to those described in division (A) of this section, pursuant to Chapter 119. of the Revised Code under which a statewide lottery and statewide joint lottery games may be conducted. Subjects covered in these rules shall include, but not be limited to, the following:

(1) The locations at which lottery tickets may be sold and the manner in which they are to be sold. These rules may authorize the sale of lottery tickets by commission personnel or other licensed individuals from traveling show wagons at the state fair, and at any other expositions the director of the commission considers acceptable. These rules shall prohibit commission personnel or other licensed individuals from soliciting from an exposition the right to sell lottery tickets at that exposition, but shall allow commission personnel or other licensed individuals to sell lottery tickets at an exposition if the exposition requests commission personnel or licensed individuals to do so. These rules may also address the accessibility of sales agent locations to commission products in accordance with the "Americans with Disabilities Act of 1990," 104 Stat. 327, 42 U.S.C.A. 12101 et seq.

(2) The manner in which lottery sales revenues are to be collected, including authorization for the director to impose penalties for failure by lottery sales agents to transfer revenues to the commission in a timely manner;

(3) The amount of compensation to be paid licensed lottery sales agents;

(4) The substantive criteria for the licensing of lottery sales agents consistent with section 3770.05 of the Revised Code, and procedures for revoking or suspending their licenses consistent with Chapter 119. of the Revised Code. If circumstances, such as the nonpayment of funds owed by a lottery sales agent, or other circumstances related to the public safety, convenience, or trust, require immediate action, the director may suspend a license without affording an opportunity for a prior hearing under section 119.07 of the Revised Code.

(5) Special game rules to implement any agreements signed by the governor that the director enters into with other lottery jurisdictions under division (J) of section 3770.02 of the Revised Code to conduct statewide joint lottery games. The rules shall require that the entire net proceeds of those games that remain, after associated operating expenses, prize disbursements, lottery sales agent bonuses, commissions, and reimbursements, and any other expenses necessary to comply with the agreements or the rules are deducted from the gross proceeds of those games, be transferred to the lottery profits education fund under division (B) of section 3770.06 of the Revised Code.

(6) Any other subjects the commission determines are necessary for the operation of video lottery terminal games, including the establishment of any fees, fines, or payment schedules.

(C) Chapter 2915. of the Revised Code does not apply to, affect, or prohibit lotteries conducted pursuant to this chapter.

(D) The commission may promulgate rules, in addition to those described in divisions (A) and (B) of this section, that establish standards governing the display of advertising and celebrity images on lottery tickets and on other items that are used in the conduct of, or to promote, the statewide lottery and statewide joint lottery games. Any revenue derived from the sale of advertising displayed on lottery tickets and on those other items shall be considered, for purposes of section 3770.06 of the Revised Code, to be related proceeds in connection with the statewide lottery or gross proceeds from statewide joint lottery games, as applicable.

~~(D)~~ (E)(1) The commission shall meet with the director at least once each month and shall convene other meetings at the request of the chairperson or any five of the members. No action taken by the commission shall be binding unless at least five of the members present vote in favor of the action. A written record shall be made of the proceedings of each meeting and shall be transmitted forthwith to the governor, the president of the senate, the senate minority leader, the speaker of the house of representatives, and the house minority leader.

(2) The director shall present to the commission a report each month, showing the total revenues, prize disbursements, and operating expenses of the state lottery for the preceding month. As soon as practicable after the end of each fiscal year, the commission shall prepare and transmit to the governor and the

general assembly a report of lottery revenues, prize disbursements, and operating expenses for the preceding fiscal year and any recommendations for legislation considered necessary by the commission."

Between lines 58209 and 58210, insert:

" **Sec. 3770.21.** (A) "Video lottery terminal" means any electronic device approved by the state lottery commission that provides immediate prize determinations for participants on an electronic display.

(B) The state lottery commission shall include, in any rules adopted concerning video lottery terminals, the level of minimum investments that must be made by video lottery terminal licensees in the buildings and grounds at the facilities, including temporary facilities, in which the terminals will be located, along with any standards and timetables for such investments.

(C) No license or excise tax or fee not in effect on the effective date of this section shall be assessed upon or collected from a video lottery terminal licensee by any county, township, municipal corporation, school district, or other political subdivision of the state that has authority to assess or collect a tax or fee by reason of the video lottery terminal related conduct authorized by section 3770.03 of the Revised Code. This division does not prohibit the imposition of taxes under Chapter 718. or 3769. of the Revised Code.

(D) The supreme court shall have exclusive, original jurisdiction over any claim asserting that this section or section 3770.03 of the Revised Code or any portion of those sections or any rule adopted under those sections violates any provision of the Ohio Constitution, any claim asserting that any action taken by the governor or the lottery commission pursuant to those sections violates any provision of the Ohio Constitution or any provision of the Revised Code, or any claim asserting that any portion of this section violates any provision of the Ohio Constitution. If any claim over which the supreme court is granted exclusive, original jurisdiction by this division is filed in any lower court, the claim shall be dismissed by the court on the ground that the court lacks jurisdiction to review it.

(E) Should any portion of this section or of section 3770.03 of the Revised Code be found to be unenforceable or invalid, it shall be severed and the remaining portions remain in full force and effect."

In line 90873, after "3767.41," insert "3770.03,"

In lines 96920 and 96921, delete "$1,164,218 $1,164,218" and insert "$1,214,218 $1,214,218"

In line 96926, delete "$1,989,218 $1,989,218" and insert "$2,039,218 $2,039,218"

Between lines 96926 and 96928, insert:

"VIDEO LOTTERY TERMINAL OVERSIGHT

Of the foregoing GRF appropriation item 965321, Operating Expenses,

$50,000 in each fiscal year may be used to defray any expenses associated with the review of the operation of video lottery terminal operations as specified in Chapter 3770. of the Revised Code."

Between lines 105448 and 105449, insert:

"**Section 735.___.** It is the intent of the General Assembly to address political contribution issues by the end of the 128th General Assembly.

Section 737.____. Notwithstanding any other provision to the contrary in Chapter 3769. of the Revised Code, for a period of two years after the effective date of this section, any person holding a permit under the provisions of that chapter to conduct live horse-racing meetings at a facility owned by a political subdivision may apply for, and the State Racing Commission may grant, a permit to conduct horse-racing meetings at a location at which such meetings have not previously been conducted, if the permit application is accompanied by a resolution adopted by the board of county commissioners of the county of the proposed location, and of the local legislative authority, whether a municipal corporation or township, of the proposed location, requesting that the Commission grant the permit. The Commission may only grant such an application if the proposed location is in the same or a contiguous county and is within fifty miles of the current location associated with the permit, but is not in the same county as another location at which live horse-racing meetings are conducted."

In line 106543, after "3718.03," insert "3770.03, 3770.21,"

In line 107 of the title, after "3767.41," insert "3770.03,"

In line 205 of the title, after "3745.50," insert "3770.21,"

Delete line 103788

In line 103790, reinsert "25,777,964"

Delete line 103790a

Delete lines 103991 through 104190

In line 255 of the title, delete "301.20.80,"

In line 406, delete "5112.371,"

In line 407, after "5123.0413," insert "5123.0417,"

In line 424, delete the first "and"; after "5111.688" insert ", and 5112.371"

In line 453, delete "5112.372,"

Delete lines 78314 through 78394 and insert:

"**Sec. 5112.30.** As used in sections 5112.30 to 5112.39 of the Revised Code:

(A) "Franchise permit fee rate" means the following:

(1) Until August 1, 2009, eleven dollars and ninety-eight cents;

(2) For the period beginning August 1, 2009, and ending June 30, 2010, fourteen dollars and seventy-five cents;

(3) For fiscal year 2011, thirteen dollars and fifty-five cents;

(4) For fiscal year 2012 and each fiscal year thereafter, the rate used for the immediately preceding fiscal year as adjusted in accordance with the composite inflation factor established in rules adopted under section 5112.39 of the Revised Code.

(B) "Intermediate care facility for the mentally retarded" has the same meaning as in section 5111.20 of the Revised Code, except that , until August 1, 2009, it does not include any such facility operated by the department of mental retardation and developmental disabilities.

~~(B)~~ (C) "Medicaid" has the same meaning as in section 5111.01 of the Revised Code.

Sec. 5112.31. The department of job and family services shall do all of the following:

(A) ~~For~~ Subject to division (B) of this section and for the purposes specified in sections 5112.37 and 5112.371 of the Revised Code, ~~annually~~ assess for each fiscal year each intermediate care facility for the mentally retarded a franchise permit fee equal to ~~eleven dollars and ninety-eight cents~~ the franchise permit fee rate multiplied by the product of the following:

(1) The number of beds certified under Title XIX of the "Social Security Act" on the first day of May of the calendar year in which the assessment is determined pursuant to division (A) of section 5112.33 of the Revised Code;

(2) The following number of days:

(a) For fiscal year 2010, the following:

(i) For the part of fiscal year 2010 during which the franchise permit fee rate is eleven dollars and ninety-eight cents, the number of days during fiscal year 2010 during which the franchise permit fee rate is that amount;

(ii) For the part of fiscal year 2010 during which the franchise permit fee rate is fourteen dollars and seventy-five cents, the number of days during fiscal year 2010 during which the franchise permit fee is that amount;

(iii) For fiscal year 2011 and each fiscal year thereafter, the number of days in the fiscal year ~~beginning on the first day of July of the same calendar year~~.

(B) ~~Beginning July 1, 2009, and the first day of each July thereafter, adjust fees determined under division (A) of this section in accordance with the composite inflation factor established in rules adopted under section 5112.39 of~~

~~the Revised Code~~ If the total amount of the franchise permit fee assessed under division (A) of this section for a fiscal year exceeds five and one-half per cent of the actual net patient revenue for all intermediate care facilities for the mentally retarded for that fiscal year, do both of the following:

(1) Recalculate the assessments under division (A) of this section using a per bed per day rate equal to five and one-half per cent of actual net patient revenue for all intermediate care facilities for the mentally retarded for that fiscal year;

(2) Refund the difference between the amount of the franchise permit fee assessed for that fiscal year under division (A) of this section and the amount recalculated under division (B)(1) of this section as a credit against the assessments imposed under division (A) of this section for the subsequent fiscal year.

(C) If the United States secretary of health and human services determines that the franchise permit fee established by sections 5112.30 to 5112.39 of the Revised Code would be an impermissible health care-related tax under section 1903(w) of the "Social Security Act," 42 U.S.C.A. 1396b(w), as amended, take all necessary actions to cease implementation of those sections in accordance with rules adopted under section 5112.39 of the Revised Code.

Sec. 5112.37. There is hereby created in the state treasury the home and community-based services for the mentally retarded and developmentally disabled fund. ~~Ninety-four~~ Eighty-four and ~~twenty-eight hundredths~~ two tenths per cent of all installment payments and penalties paid by an intermediate care facility for the mentally retarded under sections 5112.33 and 5112.34 of the Revised Code for state fiscal year 2010 shall be deposited into the fund. Seventy-nine and twelve hundredths per cent of all installment payments and penalties paid by an intermediate care facility for the mentally retarded under sections 5112.33 and 5112.34 of the Revised Code for state fiscal year 2011 and thereafter shall be deposited into the fund. The department of job and family services shall distribute the money in the fund in accordance with rules adopted under section 5112.39 of the Revised Code. The departments of job and family services and mental retardation and developmental disabilities shall use the money for the medicaid program established under Chapter 5111. of the Revised Code and home and community-based services to mentally retarded and developmentally disabled persons.

Sec. 5112.371. There is hereby created in the state treasury the department of developmental disabilities operating and services fund. Fifteen and eight tenths per cent of all installment payments and penalties paid by an intermediate care facility for the mentally retarded under sections 5112.33 and 5112.34 of the Revised Code for state fiscal year 2010 shall be deposited into the fund. Twenty and eighty-eight hundredths per cent of all installment payments and penalties paid by an intermediate care facility for the mentally retarded under sections 5112.33 and 5112.34 of the Revised Code for state fiscal year 2011 and thereafter shall be deposited into the fund. The money in the fund shall

be used for the expenses of the programs that the department of mental retardation and developmental disabilities administers and the department's administrative expenses.

Sec. 5112.39. The director of job and family services shall adopt rules in accordance with Chapter 119. of the Revised Code to do all of the following:

(A) Establish a composite inflation factor ~~with which to adjust franchise permit fees under~~ for the purpose of division (A)(4) of section ~~5112.31~~ 5112.30 of the Revised Code;

(B) Prescribe the actions the department will take to cease implementation of sections 5112.30 to 5112.39 of the Revised Code if the United States secretary of health and human services determines that the franchise permit fee imposed under section 5112.31 of the Revised Code is an impermissible health care-related tax under section 1903(w) of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 1396b(w), as amended;

(C) Establish the method of distributing the money in the home and community-based services for the mentally retarded and developmentally disabled fund created by section 5112.37 of the Revised Code;

(D) Establish any other requirements or procedures the director considers necessary to implement sections 5112.30 to 5112.39 of the Revised Code."

Between lines 78929 and 78930, insert:

"**Sec. 5123.0417.** (A) ~~Using funds available under section 5112.371 of the Revised Code, the~~ The director of mental retardation and developmental disabilities shall establish one or more programs for individuals under twenty-one years of age who have intensive behavioral needs, including such individuals with a primary diagnosis of autism spectrum disorder. The programs may include one or more medicaid waiver components that the director administers pursuant to section 5111.871 of the Revised Code. The programs may do one or more of the following:

(1) Establish models that incorporate elements common to effective intervention programs and evidence-based practices in services for children with intensive behavioral needs;

(2) Design a template for individualized education plans and individual service plans that provide consistent intervention programs and evidence-based practices for the care and treatment of children with intensive behavioral needs;

(3) Disseminate best practice guidelines for use by families of children with intensive behavioral needs and professionals working with such families;

(4) Develop a transition planning model for effectively mainstreaming school-age children with intensive behavioral needs to their public school district;

(5) Contribute to the field of early and effective identification and

intervention programs for children with intensive behavioral needs by providing financial support for scholarly research and publication of clinical findings.

(B) The director of mental retardation and developmental disabilities shall collaborate with the director of job and family services and consult with the executive director of the Ohio center for autism and low incidence and university-based programs that specialize in services for individuals with developmental disabilities when establishing programs under this section."

In line 90908, delete "5112.371,"

In line 90910, after "5123.0413," insert "5123.0417,"

In line 90950, after "5101.072," insert "5112.371,"

In line 97029, delete "$2,493,379,157 $3,539,256,149" and insert "$2,483,515,766 $3,206,274,820"

In line 97030, delete "$6,372,697,855 $7,407,374,830" and insert "$6,317,293,740 $7,144,647,402"

In line 97031, delete "$8,866,077,012 $10,946,630,979" and insert "$8,800,809,506 $10,350,922,222"

In line 97044, subtract $9,863,391 from fiscal year 2010 and $332,981,329 from fiscal year 2011

In line 97045, subtract $55,404,115 from fiscal year 2010 and $262,727,428 from fiscal year 2011

In line 97046, subtract $65,267,506 from fiscal year 2010 and $595,708,757 from fiscal year 2011

In line 97071, delete "$3,257,696,629 $2,481,516,614" and insert "$3,367,952,785 $2,729,816,014"

In line 97082, add $110,256,156 to fiscal year 2010 and $248,299,400 to fiscal year 2011

In line 97092, delete "$28,261,826 $29,482,434" and insert "$29,696,029 $28,976,838"

In line 97108, add $1,434,203 to fiscal year 2010 and subtract $505,596 from fiscal year 2011

In line 97118, add $46,422,853 to fiscal year 2010 and subtract $347,914,954 from fiscal year 2011

Delete lines 97350 through 97483 and insert:

"**Section 309.30.60.** FISCAL YEAR 2010 MEDICAID REIMBURSEMENT SYSTEM FOR ICFs/MR

(A) As used in this section:

"Change of operator," "entering operator," and "exiting operator" have

the same meanings as in section 5111.65 of the Revised Code.

"Franchise permit fee" and "provider" have the same meanings as in section 5111.20 of the Revised Code.

"ICF/MR" means an intermediate care facility for the mentally retarded as defined in section 5111.20 of the Revised Code.

"ICF/MR services" means services covered by the Medicaid program that an ICF/MR provides to a Medicaid recipient eligible for the services.

"Medicaid days" means all days during which a resident who is a Medicaid recipient occupies a bed in an ICF/MR that is included in the ICF/MR's Medicaid-certified capacity. Therapeutic or hospital leave days for which payment is made under section 5111.33 of the Revised Code are considered Medicaid days proportionate to the percentage of the ICF/MR's per resident per day rate paid for those days.

"Per diem rate" means the per diem rate calculated pursuant to sections 5111.20 to 5111.33 of the Revised Code.

(B) This section applies to providers of ICFs/MR to which either of the following applies:

(1) The provider has a valid Medicaid provider agreement for the ICF/MR on June 30, 2009, and a valid Medicaid provider agreement for the ICF/MR during fiscal year 2010.

(2) The ICF/MR undergoes a change of operator effective July 1, 2009, the exiting operator has a valid Medicaid provider agreement for the ICF/MR on June 30, 2009, and the entering operator has a valid Medicaid provider agreement for the ICF/MR during fiscal year 2010.

(C) Except as otherwise provided by this section, the provider of an ICF/MR to which this section applies shall be paid, for ICF/MR services the ICF/MR provides during fiscal year 2010, the rate calculated for the ICF/MR under sections 5111.20 to 5111.33 of the Revised Code.

(D) The provider of an ICF/MR to which this section applies shall be paid, for ICF/MR services the ICF/MR provides during the period beginning on the effective date of this section and ending July 31, 2009, the rate the provider was paid for ICF/MR services the ICF/MR provided on June 29, 2009.

(E) If the mean total per diem rate for all ICFs/MR in this state for the period beginning August 1, 2009, and ending June 30, 2010, weighted by May 2009 Medicaid days and calculated as of August 1, 2009, exceeds $278.15, the Department shall reduce, for the period beginning August 1, 2009, and ending June 30, 2010, the total per diem rate for each ICF/MR to which this section applies by a percentage that is equal to the percentage by which the mean total per diem rate exceeds $278.15.

(F) The rate of an ICF/MR set pursuant to this section shall not be subject

to any adjustments authorized by sections 5111.20 to 5111.33 of the Revised Code, or any rule authorized by those sections, during the remainder of fiscal year 2010.

(G) If the United States Centers for Medicare and Medicaid Services requires that the franchise permit fee be reduced or eliminated, the Department of Job and Family Services shall reduce the amount it pays providers of ICF/MR services under this section as necessary to reflect the loss to the state of the revenue and federal financial participation generated from the franchise permit fee.

(H) The Department of Job and Family Services shall follow this section in determining the rate to be paid providers of ICF/MR services subject to this section notwithstanding anything to the contrary in sections 5111.20 to 5111.33 of the Revised Code.

Section 309.30.70. FISCAL YEAR 2011 MEDICAID REIMBURSEMENT SYSTEM FOR ICFs/MR

(A) As used in this section:

"Change of operator," "entering operator," and "exiting operator" have the same meanings as in section 5111.65 of the Revised Code.

"Franchise permit fee" and "provider" have the same meanings as in section 5111.20 of the Revised Code.

"ICF/MR" means an intermediate care facility for the mentally retarded as defined in section 5111.20 of the Revised Code.

"ICF/MR services" means services covered by the Medicaid program that an ICF/MR provides to a Medicaid recipient eligible for the services.

"Medicaid days" means all days during which a resident who is a Medicaid recipient occupies a bed in an ICF/MR that is included in the ICF/MR's Medicaid-certified capacity. Therapeutic or hospital leave days for which payment is made under section 5111.33 of the Revised Code are considered Medicaid days proportionate to the percentage of the ICF/MR's per resident per day rate paid for those days.

"Per diem rate" means the per diem rate calculated pursuant to sections 5111.20 to 5111.33 of the Revised Code.

(B) This section applies to providers of ICFs/MR to which either of the following applies:

(1) The provider has a valid Medicaid provider agreement for the ICF/MR on June 30, 2010, and a valid Medicaid provider agreement for the ICF/MR during fiscal year 2011.

(2) The ICF/MR undergoes a change of operator effective July 1, 2010, the exiting operator has a valid Medicaid provider agreement for the ICF/MR on June 30, 2010, and the entering operator has a valid Medicaid provider

agreement for the ICF/MR during fiscal year 2011.

(C) Except as otherwise provided by this section, the provider of an ICF/MR to which this section applies shall be paid, for ICF/MR services the ICF/MR provides during fiscal year 2011, the rate calculated for the ICF/MR under sections 5111.20 to 5111.33 of the Revised Code.

(D) If the mean total per diem rate for all ICFs/MR in this state for fiscal year 2011, weighted by May 2010 Medicaid days and calculated as of July 1, 2010, exceeds $278.15, the Department shall reduce the total per diem rate for each ICF/MR to which this section applies by a percentage that is equal to the percentage by which the mean total per diem rate exceeds $278.15.

(E) The rate of an ICF/MR set pursuant to this section shall not be subject to any adjustments authorized by sections 5111.20 to 5111.33 of the Revised Code, or any rule authorized by those sections, during the remainder of fiscal year 2011.

(F) If the United States Centers for Medicare and Medicaid Services requires that the franchise permit fee be reduced or eliminated, the Department of Job and Family Services shall reduce the amount it pays providers of ICF/MR services under this section as necessary to reflect the loss to the state of the revenue and federal financial participation generated from the franchise permit fee.

(G) The Department of Job and Family Services shall follow this section in determining the rate to be paid providers of ICF/MR services subject to this section notwithstanding anything to the contrary in sections 5111.20 to 5111.33 of the Revised Code."

In line 99302, delete "$5,600,000 $7,500,000" and insert "$5,953,391 $7,146,609"

In line 99304, add $353,391 to fiscal year 2010 and subtract $353,391 from fiscal year 2011

In line 99330, add $353,391 to fiscal year 2010 and subtract $353,391 from fiscal year 2011

In line 106546, after "5111.875," insert "5112.30, 5112.31, 5112.37, 5112.39,"; after "5123.0412," insert "5123.0417,"

Between lines 106549 and 106550, insert:

"The repeal and reenactment of section 5112.371 of the Revised Code."

In line 106554, after "5111.24," insert "and"; delete the seventh comma

In line 106555, delete "5112.30, 5112.31, 5112.37, 5112.371, and 5112.372"

In line 155 of the title, delete "5112.371,"

In line 156 of the title, after "5123.0413," insert "5123.0417,"

In line 180 of the title, delete the first "and"; after "5111.688" insert ", and 5112.371"

In line 216 of the title, delete "5112.372,"

In line 243 of the title, after "5101.072," insert "5112.371,"

In line 361, delete "3714.01, 3714.02,"; delete "3714.081, 3714.083,"

In line 371, delete "3745.31,"

In line 444, delete "3714.011, 3714.074,"

Delete lines 50309 through 50660

Delete lines 50921 through 50998

Delete lines 57390 through 57457

In line 90863, delete "3714.01, 3714.02,"; delete "3714.081, 3714.083,"

In line 90873, delete "3745.31,"

In line 93 of the title, delete "3714.01, 3714.02,"; delete "3718.081,"

In line 94 of the title, delete "3714.083,"

In line 107 of the title, delete "3745.31,"

In line 204 of the title, delete "3714.011, 3714.074,"

In line 361, delete "3714.073,"

Delete lines 50847 through 50920

In line 90863, delete "3714.073,"

In line 106543, delete "3714.073,"

In line 93 of the title, delete "3714.073,"

Engross General Revenue Fund appropriation amounts as follows:

CAS	Agency Name	ALI	ALI Name	Fiscal Year 2010	Fiscal Year 2011
ADJ	Adjutant General	745401	Ohio Military Reserve	$13,675	$13,675
ADJ	Adjutant General	745404	Air National Guard	$1,810,606	$1,810,606
ADJ	Adjutant General	745407	National Guard Benefits	$400,000	$400,000
ADJ	Adjutant General	745409	Central Administration	$2,849,096	$2,849,096
ADJ	Adjutant General	745499	Army National Guard	$4,237,516	$4,237,516
DAS	Department of Administrative Services	100415	OAKS Rental Payments	$18,066,000	$21,693,200
DAS	Department of Administrative Services	100416	STARS Lease Rental Payments	$4,977,600	$4,982,500
DAS	Department of	100418	Web Site and	$2,696,933	$2,943,076

	Administrative Services		Business Gateway		
DAS	Department of Administrative Services	100419	IT Security Infrastructure	$861,250	$1,111,250
DAS	Department of Administrative Services	100423	EEO Project Tracking Software	$0	$100,000
DAS	Department of Administrative Services	100433	State of Ohio Computer Center	$5,385,268	$4,289,127
DAS	Department of Administrative Services	100439	Equal Opportunity Certification Programs	$712,724	$712,724
DAS	Department of Administrative Services	100447	OBA - Building Rent Payments	$102,635,400	$97,712,600
DAS	Department of Administrative Services	100448	OBA - Building Operating Payments	$24,003,000	$24,203,000
DAS	Department of Administrative Services	100449	DAS - Building Operating Payments	$2,971,384	$3,271,384
DAS	Department of Administrative Services	100451	Minority Affairs	$50,016	$50,016
DAS	Department of Administrative Services	102321	Construction Compliance	$1,108,744	$1,108,744
DAS	Department of Administrative Services	130321	State Agency Support Services	$3,239,578	$3,339,578
AGE	Department of Aging	490321	Operating Expenses	$1,709,817	$1,709,817
AGE	Department of Aging	490409	AmeriCorps Operations	$147,034	$147,034
AGE	Department of Aging	490410	Long-Term Care Ombudsman	$535,857	$535,857
AGE	Department of Aging	490411	Senior Community Services	$5,934,134	$5,934,134
AGE	Department of Aging	490412	Residential State Supplement	$5,225,417	$5,225,417
AGE	Department of Aging	490414	Alzheimer's Respite	$4,131,595	$4,131,595
AGE	Department of Aging	490423	Long Term Care Budget - State	$97,916,967	$134,317,603
AGE	Department of Aging	490506	National Senior Service Corps	$268,237	$268,237
AGR	Department of Agriculture	700401	Animal Disease Control	$3,730,436	$3,713,876
AGR	Department of Agriculture	700403	Dairy Division	$1,173,700	$1,163,700
AGR	Department of	700404	Ohio Proud	$196,895	$196,895

	Agriculture				
AGR	Department of Agriculture	700406	Consumer Analytical Lab	$1,321,771	$1,289,982
AGR	Department of Agriculture	700407	Food Safety	$875,043	$875,043
AGR	Department of Agriculture	700409	Farmland Preservation	$200,000	$200,000
AGR	Department of Agriculture	700411	International Trade and Market Development	$529,548	$507,005
AGR	Department of Agriculture	700412	Weights and Measures	$200,000	$200,000
AGR	Department of Agriculture	700415	Poultry Inspection	$400,401	$400,401
AGR	Department of Agriculture	700418	Livestock Regulation Program	$1,322,784	$1,343,676
AGR	Department of Agriculture	700424	Livestock Testing & Inspections	$120,906	$120,906
AGR	Department of Agriculture	700499	Meat Inspection Program - State Share	$4,920,926	$4,960,926
AGR	Department of Agriculture	700501	County Agricultural Societies	$414,903	$434,903
AIR	Air Quality Development Authority	898402	Coal Development Office	$296,902	$296,902
AIR	Air Quality Development Authority	898901	Coal Research and Development General Obligation Debt Service	$8,976,000	$9,381,200
ADA	Department of Alcohol and Drug Addiction Services	038401	Treatment Services	$25,998,105	$26,784,703
ADA	Department of Alcohol and Drug Addiction Services	038404	Prevention Services	$868,659	$868,659
ART	Ohio Arts Council	370321	Operating Expenses	$1,450,782	$1,450,782
ART	Ohio Arts Council	370502	State Program Subsidies	$5,143,508	$5,143,508
AGO	Attorney General	055321	Operating Expenses	$45,469,699	$45,469,699
AGO	Attorney General	055405	Law-Related Education	$100,000	$100,000
AGO	Attorney General	055411	County Sheriffs' Pay Supplement	$757,921	$757,921
AGO	Attorney General	055415	County Prosecutors' Pay Supplement	$831,499	$831,499
AUD	Auditor of State	070321	Operating Expenses	$29,279,031	$29,279,031

AUD	Auditor of State	070403	Fiscal Watch/Emergency Technical Assistance	$700,000	$700,000
OBM	Office of Budget and Management	042321	Budget Development and Implementation	$2,412,346	$2,350,805
OBM	Office of Budget and Management	042410	National Association Dues	$30,448	$31,361
OBM	Office of Budget and Management	042412	Audit of Auditor of State	$44,528	$46,309
OBM	Office of Budget and Management	042416	Medicaid Agency Transition	$571,028	$369,298
OBM	Office of Budget and Management	042435	Gubernatorial Transition	$0	$250,000
CSR	Capitol Square Review and Advisory Board	874100	Personal Services	$1,311,358	$1,311,358
CSR	Capitol Square Review and Advisory Board	874320	Maintenance and Equipment	$526,814	$526,813
CIV	Ohio Civil Rights Commission	876321	Operating Expenses	$4,897,185	$4,897,185
COM	Department of Commerce	800410	Labor and Worker Safety	$1,492,677	$0
CEB	Controlling Board	911401	Emergency Purposes/ Contingencies	$2,800,000	$2,800,000
CEB	Controlling Board	911404	Mandate Assistance	$545,417	$545,417
CEB	Controlling Board	911418	Unemployment Compensation ERI	$29,228,833	$37,275,369
CEB	Controlling Board	911441	Ballot Advertising Costs	$487,600	$487,600
CLA	Court of Claims	015321	Operating Expenses	$2,699,369	$2,780,350
AFC	Ohio Cultural Facilities Commission	371321	Operating Expenses	$98,636	$98,636
AFC	Ohio Cultural Facilities Commission	371401	Lease Rental Payments	$26,454,900	$28,301,600
DEV	Department of Development	195401	Thomas Edison Program	$15,796,751	$15,796,751
DEV	Department of Development	195404	Small Business Development	$1,565,770	$1,565,770
DEV	Department of Development	195405	Minority Business Enterprise Division	$1,238,528	$1,238,528
DEV	Department of Development	195407	Travel and Tourism	$400,000	$0
DEV	Department of	195412	Rapid	$5,000,000	$5,000,000

	Development		Outreach Grants		
DEV	Department of Development	195415	Strategic Business Investment Division & Regional Offices	$5,882,129	$5,882,129
DEV	Department of Development	195416	Governor's Office of Appalachia	$4,508,741	$4,508,741
DEV	Department of Development	195422	Technology Action	$3,500,000	$3,500,000
DEV	Department of Development	195426	Clean Ohio Implementation	$168,365	$168,365
DEV	Department of Development	195432	Global Markets	$3,889,566	$3,889,566
DEV	Department of Development	195434	Industrial Training Grants	$7,593,940	$7,643,940
DEV	Department of Development	195497	CDBG Operating Match	$955,000	$955,000
DEV	Department of Development	195501	Appalachian Local Development Districts	$391,482	$391,482
DEV	Department of Development	195502	Appalachian Regional Commission Dues	$195,000	$195,000
DEV	Department of Development	195905	Third Frontier Research & Development General Obligation Debt Service	$20,920,700	$30,852,200
DEV	Department of Development	195912	Job Ready Site Development General Obligation Debt Service	$4,747,900	$10,601,900
CDR	Commission on Dispute Resolution and Conflict Management	145401	Commission Operations	$250,000	$0
EDU	Department of Education	200100	Personal Services	$10,490,789	$10,723,972
EDU	Department of Education	200320	Maintenance and Equipment	$3,110,071	$3,144,897
EDU	Department of Education	200408	Early Childhood Education	$23,268,341	$23,268,341
EDU	Department of Education	200416	Career-Technical Education Match	$2,233,195	$2,233,195
EDU	Department of Education	200420	Computer/ Application/ Network Development	$4,880,871	$4,880,871

EDUDepartment of Education	200421	Alternative Education Programs	$7,814,479	$7,918,749
EDUDepartment of Education	200422	School Management Assistance	$1,950,521	$3,230,469
EDUDepartment of Education	200424	Policy Analysis	$356,311	$361,065
EDUDepartment of Education	200425	Tech Prep Consortia Support	$1,243,943	$1,260,542
EDUDepartment of Education	200426	Ohio Educational Computer Network	$20,156,602	$20,425,556
EDUDepartment of Education	200427	Academic Standards	$5,300,074	$5,300,074
EDUDepartment of Education	200431	School Improvement Initiatives	$7,294,175	$7,391,503
EDUDepartment of Education	200437	Student Assessment	$55,954,648	$56,703,265
EDUDepartment of Education	200439	Accountability /Report Cards	$3,804,673	$3,804,673
EDUDepartment of Education	200442	Child Care Licensing	$865,590	$877,140
EDUDepartment of Education	200446	Education Management Information System	$13,199,152	$11,934,284
EDUDepartment of Education	200447	GED Testing	$975,536	$988,553
EDUDepartment of Education	200448	Educator Preparation	$1,310,750	$1,328,240
EDUDepartment of Education	200455	Community Schools	$1,000,000	$1,000,000
EDUDepartment of Education	200457	STEM Initiatives	$5,000,000	$5,000,000
EDUDepartment of Education	200458	School Employees Health Care Board	$800,000	$800,000
EDUDepartment of Education	200502	Pupil Transportation	$448,022,619	$462,822,619
EDUDepartment of Education	200505	School Lunch Match	$9,100,000	$9,100,000
EDUDepartment of Education	200511	Auxiliary Services	$111,979,388	$111,979,388
EDUDepartment of Education	200532	Nonpublic Administrative Cost Reimbursement	$50,838,939	$50,838,939
EDUDepartment of Education	200540	Special Education Enhancements	$134,150,233	$135,820,668
EDUDepartment of Education	200545	Career-Technical Education Enhancements	$7,752,662	$7,802,699
EDUDepartment of Education	200550	Foundation Funding	$5,130,669,418	$4,746,289,372
EDUDepartment of	200551	Foundation	$387,583,913	$457,449,362

	Education		Funding - Federal Stimulus		
EDU	Department of Education	200578	Violence Prevention and School Safety	$200,000	$200,000
EDU	Department of Education	200901	Property Tax Allocation - Education	$1,053,262,363	$1,020,655,157
ELC	Ohio Elections Commission	051321	Operating Expenses	$343,420	$343,420
ERB	State Employment Relations Board	125321	Operating Expenses	$2,863,613	$2,863,613
EBR	Environmental Review Appeals Commission	172321	Operating Expenses	$487,000	$487,000
ETC	eTech Ohio	935401	Statehouse News Bureau	$219,960	$219,960
ETC	eTech Ohio	935402	Ohio Government Telecommunications Services	$716,417	$716,417
ETC	eTech Ohio	935408	General Operations	$1,505,642	$1,515,111
ETC	eTech Ohio	935409	Technology Operations	$3,516,153	$4,521,712
ETC	eTech Ohio	935410	Content Development, Acquisition, and Distribution	$2,896,114	$2,896,771
ETC	eTech Ohio	935411	Technology Integration and Professional Development	$4,874,258	$4,884,241
ETC	eTech Ohio	935412	Information Technology	$970,943	$945,276
ETH	Ethics Commission	146321	Operating Expenses	$1,513,818	$1,513,908
EXP	Expositions Commission	723403	Junior Fair Subsidy	$252,000	$252,000
GOV	Office of the Governor	040321	Operating Expenses	$2,674,751	$2,674,751
GOV	Office of the Governor	040403	Federal Relations	$181,081	$181,081
DOH	Department of Health	440407	Animal Borne Disease and Prevention	$600,000	$642,291
DOH	Department of Health	440412	Cancer Incidence Surveillance System	$774,234	$774,234
DOH	Department of Health	440413	Local Health Department Support	$2,311,345	$2,311,345
DOH	Department of Health	440416	Mothers and Children Safety Net Services	$4,338,449	$4,338,449
DOH	Department of Health	440418	Immunizations	$7,239,432	$7,239,432

DOH	Department of Health	440431	Free Clinics Safety Net Services	$437,326	$437,326
DOH	Department of Health	440437	Healthy Ohio	$2,169,998	$2,169,998
DOH	Department of Health	440438	Breast and Cervical Cancer Screening	$804,008	$739,171
DOH	Department of Health	440444	AIDS Prevention and Treatment	$5,542,314	$5,542,314
DOH	Department of Health	440446	Infectious Disease Protection and Surveillance	$915,883	$915,883
DOH	Department of Health	440451	Public Health Laboratory	$2,899,138	$2,899,138
DOH	Department of Health	440452	Child & Family Health Services Match	$645,131	$645,130
DOH	Department of Health	440453	Health Care Quality Assurance	$9,902,795	$9,902,795
DOH	Department of Health	440454	Local Environmental Health	$1,155,219	$1,155,219
DOH	Department of Health	440459	Help Me Grow	$36,500,000	$36,500,000
DOH	Department of Health	440465	Federally Qualified Health Centers	$2,686,688	$2,686,688
DOH	Department of Health	440467	Access to Dental Care	$540,484	$540,484
DOH	Department of Health	440468	Chronic Disease and Injury Prevention	$792,363	$792,363
DOH	Department of Health	440505	Medically Handicapped Children	$8,762,451	$8,762,451
DOH	Department of Health	440507	Targeted Health Care Services Over 21	$1,045,415	$1,045,414
SPA	Commission on Hispanic/ Latino Affairs	148100	Personal Services	$229,847	$229,847
SPA	Commission on Hispanic/ Latino Affairs	148200	Maintenance	$35,000	$35,000
SPA	Commission on Hispanic/ Latino Affairs	148402	Community Projects	$90,485	$90,485
OHS	Ohio Historical Society	360501	Education and Collections	$2,304,228	$2,304,228
OHS	Ohio Historical Society	360502	Site and Museum Operations	$3,791,149	$3,791,149
OHS	Ohio Historical Society	360504	Ohio Preservation	$228,246	$228,246

OHS	Ohio Historical Society	360505	Office National Afro-American Museum	$414,798	$414,798
OHS	Ohio Historical Society	360506	Hayes Presidential Center	$281,043	$281,043
OHS	Ohio Historical Society	360508	State Historical Grants	$420,420	$420,420
OHS	Ohio Historical Society	360509	Outreach and Partnership	$492,547	$492,547
REP	House of Representatives	025321	Operating Expenses	$18,517,093	$18,517,093
IGO	Office of the Inspector General	965321	Operating Expenses	$1,214,218	$1,214,218
JFS	Department of Job and Family Services	600321	Support Services - Total	$50,321,179	$49,407,447
JFS	Department of Job and Family Services	600321 - Federal	Support Services - Federal	$10,029,863	$9,848,154
JFS	Department of Job and Family Services	600321 - State	Support Services - State	$40,291,316	$39,559,293
JFS	Department of Job and Family Services	600416	Computer Projects - Total	$84,057,312	$82,377,276
JFS	Department of Job and Family Services	600416 - Federal	Computer Projects - Federal	$10,742,500	$9,039,372
JFS	Department of Job and Family Services	600416 - State	Computer Projects - State	$73,314,812	$73,337,904
JFS	Department of Job and Family Services	600417	Medicaid Provider Audits	$1,210,625	$1,191,010
JFS	Department of Job and Family Services	600421	Office of Family Stability	$3,796,625	$3,753,002
JFS	Department of Job and Family Services	600423	Office of Children and Families	$5,298,150	$5,232,561
JFS	Department of Job and Family Services	600425	Office of Ohio Health Plans - Total	$24,454,211	$18,583,796
JFS	Department of Job and Family Services	600425 - Federal	Office of Ohio Health Plans - Federal	$12,642,827	$12,083,374
JFS	Department of Job and Family Services	600425 - State	Office of Ohio Health Plans - State	$11,811,384	$6,500,422
JFS	Department of Job and Family Services	600502	Administration - Local	$20,706,497	$19,838,659
JFS	Department of Job and Family Services	600511	Disability Financial Assistance	$29,399,013	$30,759,074
JFS	Department of Job and Family Services	600521	Entitlement Administration - Local	$87,310,316	$80,223,023

JFS	Department of Job and Family Services	600525	Health Care /Medicaid - Total	$8,800,809,506	$10,350,922,222
JFS	Department of Job and Family Services	600525 - Federal	Health Care /Medicaid - Federal	$6,317,293,740	$7,144,647,402
JFS	Department of Job and Family Services	600525 - State	Health Care /Medicaid - State	$2,483,515,766	$3,206,274,820
JFS	Department of Job and Family Services	600526	Medicare Part D	$221,686,721	$228,356,466
JFS	Department of Job and Family Services	600528	Adoption Services - Total	$72,209,708	$70,381,223
JFS	Department of Job and Family Services	600528 - Federal	Adoption Services - Federal	$49,348,115	$46,254,540
JFS	Department of Job and Family Services	600528 - State	Adoption Services - State	$22,861,593	$24,126,683
JFS	Department of Job and Family Services	600533	Child, Family, and Adult Community & Protective Services	$15,000,000	$15,000,000
JFS	Department of Job and Family Services	600534	Adult Protective Services	$425,872	$406,670
JFS	Department of Job and Family Services	600537	Children's Hospital	$6,000,000	$6,000,000
JFS	Department of Job and Family Services	600540	Second Harvest Food Banks	$3,500,000	$3,500,000
JFS	Department of Job and Family Services	600541	Kinship Permanency Incentive Program	$5,000,000	$5,000,000
JFS	Department of Job and Family Services	600420	Child Support Administration	$6,011,708	$5,908,839
JFS	Department of Job and Family Services	600523	Children and Families Services	$60,538,878	$59,005,915
JFS	Department of Job and Family Services	600535	Early Care and Education	$137,367,699	$134,269,120
JFS	Department of Job and Family Services	600410	TANF State	$155,494,648	$161,298,234
JFS	Department of Job and Family Services	600413	Child Care Match/ Maintenance of Effort	$79,401,065	$84,732,730
JCR	Joint Committee on Agency Rule Review	029321	Operating Expenses	$435,168	$435,168
JCO	Judicial Conference of Ohio	018321	Operating Expenses	$800,000	$800,000
JSC	Judiciary/	005321	Operating	$131,055,370	$131,055,370

	Supreme Court		Expenses - Judiciary/Supreme Court		
JSC	Judiciary/ Supreme Court	005401	State Criminal Sentencing Council	$206,770	$206,770
JSC	Judiciary/ Supreme Court	005406	Law-Related Education	$236,172	$236,172
JSC	Judiciary/ Supreme Court	005409	Ohio Courts Technology Initiative	$4,000,000	$4,250,000
LRS	Legal Rights Service	054321	Support Services	$99,830	$99,830
LRS	Legal Rights Service	054401	Ombudsman	$146,789	$146,789
JLE	Joint Legislative Ethics Committee	028321	Legislative Ethics Committee	$550,000	$550,000
LSC	Legislative Service Commission	035321	Operating Expenses	$15,117,700	$15,117,700
LSC	Legislative Service Commission	035402	Legislative Interns	$1,022,120	$1,022,120
LSC	Legislative Service Commission	035405	Correctional Institution Inspection Committee	$438,900	$438,900
LSC	Legislative Service Commission	035407	Legislative Task Force on Redistricting	$750,000	$750,000
LSC	Legislative Service Commission	035409	National Associations	$460,560	$460,560
LSC	Legislative Service Commission	035410	Legislative Information Systems	$3,661,250	$3,661,250
LIB	State Library Board	350321	Operating Expenses	$5,477,369	$5,477,369
LIB	State Library Board	350401	Ohioana Library Rental Payments	$128,560	$128,560
LIB	State Library Board	350502	Regional Library Systems	$582,469	$582,469
DMH	Department of Mental Health	332401	Forensic Services	$3,089,969	$3,244,251
DMH	Department of Mental Health	333321	Central Administration	$17,204,000	$17,204,000
DMH	Department of Mental Health	333402	Resident Trainees	$504,416	$529,602
DMH	Department of Mental Health	333403	Pre-Admission Screening Expenses	$514,446	$540,132
DMH	Department of Mental Health	333415	Lease Rental Payments	$21,333,500	$21,951,800
DMH	Department of Mental Health	333416	Research Program Evaluation	$554,763	$582,462
DMH	Department of Mental Health	334408	Community and Hospital Mental Health	$371,742,870	$369,982,336

			Services		
DMH	Department of Mental Health	334506	Court Costs	$618,253	$649,122
DMH	Department of Mental Health	335404	Behavioral Health Services-Children	$7,460,800	$7,460,800
DMH	Department of Mental Health	335405	Family & Children First	$1,430,654	$1,502,086
DMH	Department of Mental Health	335419	Community Medication Subsidy	$9,959,798	$9,959,798
DMH	Department of Mental Health	335505	Local Mental Health Systems of Care	$11,650,000	$20,644,308
DMR	Department of Developmental Disabilities	320321	Central Administration	$4,662,675	$4,662,675
DMR	Department of Developmental Disabilities	320412	Protective Services	$2,174,826	$2,174,826
DMR	Department of Developmental Disabilities	320415	Lease-Rental Payments	$21,333,500	$21,951,800
DMR	Department of Developmental Disabilities	322413	Residential and Support Services	$5,854,555	$4,854,555
DMR	Department of Developmental Disabilities	322416	Medicaid Waiver - State Match	$76,940,156	$96,995,649
DMR	Department of Developmental Disabilities	322451	Family Support Services	$6,591,953	$6,591,953
DMR	Department of Developmental Disabilities	322501	County Boards Subsidies	$66,986,448	$62,259,252
DMR	Department of Developmental Disabilities	322503	Tax Equity	$14,000,000	$14,000,000
DMR	Department of Developmental Disabilities	322504	Martin Settlement	$26,799,300	$31,234,500
DMR	Department of Developmental Disabilities	322647	ICF/MR Franchise Fee-Developmental Centers	$5,953,391	$7,146,609
DMR	Department of Developmental Disabilities	323321	Developmental Center and Residential Facilities Operation Expenses	$72,091,333	$79,364,778
MIH	Commission on Minority Health	149321	Operating Expenses	$490,998	$449,998
MIH	Commission on Minority Health	149501	Minority Health Grants	$1,064,833	$1,105,833
MIH	Commission on Minority Health	149502	Lupus Program	$114,632	$114,632
DNR	Department of Natural Resources	725401	Wildlife-GRF Central Support	$1,950,000	$2,000,000
DNR	Department of	725413	Lease Rental	$20,760,600	$21,556,500

	Natural Resources		Payments		
DNR	Department of Natural Resources	725456	Canal Lands	$150,000	$150,000
DNR	Department of Natural Resources	725502	Soil and Water Districts	$6,900,000	$2,900,000
DNR	Department of Natural Resources	725903	Natural Resources General Obligation Debt Service	$25,438,000	$26,549,400
DNR	Department of Natural Resources	727321	Division of Forestry	$5,906,376	$5,420,376
DNR	Department of Natural Resources	728321	Division of Geological Survey	$1,100,000	$0
DNR	Department of Natural Resources	730321	Division of Parks and Recreation	$31,806,918	$32,693,791
DNR	Department of Natural Resources	733321	Division of Water	$2,300,000	$2,546,000
DNR	Department of Natural Resources	736321	Division of Engineering	$2,300,000	$2,572,000
DNR	Department of Natural Resources	737321	Division of Soil and Water Resources	$2,828,562	$3,128,562
DNR	Department of Natural Resources	738321	Division of Real Estate and Land Management	$1,475,000	$1,546,000
DNR	Department of Natural Resources	741321	Division of Natural Areas and Preserves	$1,739,873	$0
DNR	Department of Natural Resources	744321	Division of Mineral Resources Management	$2,800,000	$1,000,000
OLA	Ohioana Library Association	355501	Library Subsidy	$125,000	$125,000
PUB	Ohio Public Defender Commission	019321	Public Defender Administration	$772,500	$612,600
PUB	Ohio Public Defender Commission	019401	State Legal Defense Services	$4,377,500	$3,471,400
PUB	Ohio Public Defender Commission	019403	Multi-County: State Share	$1,308,201	$1,456,835
PUB	Ohio Public Defender Commission	019404	Trumbull County - State Share	$430,217	$467,727
PUB	Ohio Public Defender Commission	019405	Training Account	$50,000	$50,000
PUB	Ohio Public Defender Commission	019501	County Reimbursement	$13,855,879	$10,711,478

PWC	Public Works Commission	150904	Conservation General Obligation Debt Service	$20,252,100	$25,225,900
PWC	Public Works Commission	150907	State Capital Improvements General Obligation Debt Service	$118,011,500	$130,569,700
BOR	Ohio Board of Regents	235321	Operating Expenses	$2,366,640	$2,366,640
BOR	Ohio Board of Regents	235401	Lease Rental Payments	$124,461,100	$107,897,100
BOR	Ohio Board of Regents	235402	Sea Grants	$300,000	$300,000
BOR	Ohio Board of Regents	235406	Articulation and Transfer	$2,531,700	$2,531,700
BOR	Ohio Board of Regents	235408	Midwest Higher Education Compact	$95,000	$95,000
BOR	Ohio Board of Regents	235409	Information System	$937,800	$937,800
BOR	Ohio Board of Regents	235414	State Grants and Scholarship Administration	$1,414,366	$1,414,366
BOR	Ohio Board of Regents	235417	Ohio Learning Network	$2,723,320	$2,723,320
BOR	Ohio Board of Regents	235428	Appalachian New Economy Partnership	$819,295	$819,295
BOR	Ohio Board of Regents	235433	Economic Growth Challenge	$511,715	$511,715
BOR	Ohio Board of Regents	235438	Choose Ohio First Scholarship	$12,927,304	$15,845,591
BOR	Ohio Board of Regents	235442	Teacher Fellowship	$0	$2,500,000
BOR	Ohio Board of Regents	235443	Adult Basic and Literacy Education - State	$7,302,416	$7,302,416
BOR	Ohio Board of Regents	235444	Postsecondary Adult Career-technical Education	$15,317,549	$15,317,547
BOR	Ohio Board of Regents	235474	Area Health Education Centers Program Support	$1,059,078	$1,059,078
BOR	Ohio Board of Regents	235501	State Share of Instruction	$1,677,708,351	$1,689,554,971
BOR	Ohio Board of Regents	235502	Student Support Services	$692,974	$692,974
BOR	Ohio Board of Regents	235504	War Orphans Scholarships	$4,331,089	$4,331,089
BOR	Ohio Board of Regents	235507	OhioLINK	$6,433,313	$6,433,313

BOROhio Board of Regents	235508	Air Force Institute of Technology	$1,785,439	$1,785,439
BOROhio Board of Regents	235510	Ohio Supercomputer Center	$3,719,354	$3,719,354
BOROhio Board of Regents	235511	Cooperative Extension Service	$23,518,608	$22,467,678
BOROhio Board of Regents	235513	Ohio University Voinovich School	$326,000	$326,000
BOROhio Board of Regents	235514	Central State Supplement	$12,109,106	$12,109,106
BOROhio Board of Regents	235515	Case Western Reserve University School of Medicine	$2,525,003	$2,525,003
BOROhio Board of Regents	235519	Family Practice	$3,724,923	$3,724,923
BOROhio Board of Regents	235520	Shawnee State Supplement	$2,577,393	$2,577,393
BOROhio Board of Regents	235521	The Ohio State University John Glenn School of Public Affairs	$277,500	$277,500
BOROhio Board of Regents	235524	Police and Fire Protection	$119,793	$119,793
BOROhio Board of Regents	235525	Geriatric Medicine	$614,295	$614,295
BOROhio Board of Regents	235526	Primary Care Residencies	$1,839,083	$1,839,083
BOROhio Board of Regents	235535	Ohio Agricultural Research and Development Center	$34,000,000	$34,000,000
BOROhio Board of Regents	235536	The Ohio State University Clinical Teaching	$11,375,225	$11,375,225
BOROhio Board of Regents	235537	University of Cincinnati Clinical Teaching	$9,355,968	$9,355,968
BOROhio Board of Regents	235538	University of Toledo Clinical Teaching	$7,292,471	$7,292,471
BOROhio Board of Regents	235539	Wright State University Clinical Teaching	$3,542,823	$3,542,823
BOROhio Board of Regents	235540	Ohio University Clinical Teaching	$3,424,956	$3,424,956
BOROhio Board of Regents	235541	Northeastern Ohio	$3,522,563	$3,522,563

		Universities College of Medicine Clinical Teaching		
BOROhio Board of Regents	235552	Capital Component	$20,382,568	$20,382,568
BOROhio Board of Regents	235555	Library Depositories	$1,477,274	$1,477,274
BOROhio Board of Regents	235556	Ohio Academic Resources Network	$3,253,866	$3,253,866
BOROhio Board of Regents	235558	Long-term Care Research	$217,000	$217,000
BOROhio Board of Regents	235563	Ohio College Opportunity Grant	$95,000,000	$76,000,000
BOROhio Board of Regents	235567	Central State University Speed to Scale	$1,775,254	$0
BOROhio Board of Regents	235572	The Ohio State University Clinic Support	$901,703	$901,703
BOROhio Board of Regents	235579	Bliss Institute	$257,474	$257,474
BOROhio Board of Regents	235596	Hazardous Materials Program	$373,858	$373,858
BOROhio Board of Regents	235599	National Guard Scholarship Program	$14,912,271	$14,912,271
BOROhio Board of Regents	235644	State Share of Instruction - Federal Stimulus - Education	$309,874,026	$308,802,662
BOROhio Board of Regents	235909	Higher Education General Obligation Debt Service	$105,392,500	$86,937,900
DRCDepartment of Rehabilitation and Correction	501321	Institutional Operations	$780,936,383	$667,111,335
DRCDepartment of Rehabilitation and Correction	501403	Prisoner Compensation	$8,599,255	$8,599,255
DRCDepartment of Rehabilitation and Correction	501405	Halfway House	$41,054,799	$42,286,443
DRCDepartment of Rehabilitation and Correction	501406	Lease Rental Payments	$101,578,100	$98,080,200
DRCDepartment of Rehabilitation and Correction	501407	Community Nonresidential Programs	$21,925,802	$22,431,567
DRCDepartment of Rehabilitation and Correction	501408	Community Misdemeanor Programs	$11,092,468	$11,380,242
DRCDepartment of	501501	Community	$62,517,256	$64,281,774

	Rehabilitation and Correction		Residential Programs - CBCF		
DRC	Department of Rehabilitation and Correction	501620	Institutional Operations-Federal Stimulus	$111,177,531	$214,488,988
DRC	Department of Rehabilitation and Correction	502321	Mental Health Services	$80,844,321	$84,462,467
DRC	Department of Rehabilitation and Correction	503321	Parole and Community Operations	$75,785,243	$77,326,155
DRC	Department of Rehabilitation and Correction	504321	Administrative Operations	$23,659,745	$21,811,756
DRC	Department of Rehabilitation and Correction	505321	Institution Medical Services	$239,839,373	$239,140,143
DRC	Department of Rehabilitation and Correction	506321	Institution Education Services	$22,730,539	$23,183,959
DRC	Department of Rehabilitation and Correction	507321	Institution Recovery Services	$5,025,028	$5,899,110
RSC	Rehabilita- tion Services Commission	415402	Independent Living Council	$252,000	$252,000
RSC	Rehabilita- tion Services Commission	415406	Assistive Technology	$26,618	$26,618
RSC	Rehabilita- tion Services Commission	415431	Office for People with Brain Injury	$126,567	$126,567
RSC	Rehabilita- tion Services Commission	415506	Services for People with Disabilities	$13,116,630	$13,116,630
RSC	Rehabilita- tion Services Commission	415508	Services for the Deaf	$28,000	$28,000
OSB	Ohio State School for the Blind	226100	Personal Services	$6,593,540	$6,593,540
OSB	Ohio State School for the Blind	226200	Maintenance	$619,527	$619,527
OSB	Ohio State School for the Blind	226300	Equipment	$65,505	$65,505
OSD	Ohio School for the Deaf	221100	Personal Services	$7,842,334	$7,842,334
OSD	Ohio School for the Deaf	221200	Maintenance	$814,532	$814,532
OSD	Ohio School for the Deaf	221300	Equipment	$70,785	$70,785
SFC	School Facilities Commission	230908	Common Schools General Obligation Debt Service	$157,065,800	$167,038,700
SOS	Secretary of State	050321	Operating Expenses	$2,290,508	$2,290,508
SOS	Secretary of	050407	Poll Workers	$250,197	$250,197

	State		Training		
SEN	Senate	020321	Operating Expenses	$10,911,095	$10,911,095
BTA	Board of Tax Appeals	116321	Operating Expenses	$1,149,715	$1,149,715
TAX	Department of Taxation	110321	Operating Expenses	$87,841,056	$89,941,055
TAX	Department of Taxation	110404	Tobacco Settlement Enforcement	$265,708	$265,708
TAX	Department of Taxation	110412	Child Support Administration	$17,561	$17,561
TAX	Department of Taxation	110901	Property Tax Allocation - Taxation	$598,917,420	$577,463,014
DOT	Department of Transportation	775451	Public Transportation - State	$10,870,642	$10,870,642
DOT	Department of Transportation	776465	Ohio Rail Development Commission	$2,287,950	$2,287,950
DOT	Department of Transportation	777471	Airport Improvements - State	$923,064	$923,064
TOS	Treasurer of State	090321	Operating Expenses	$8,281,875	$8,281,875
TOS	Treasurer of State	090401	Office of the Sinking Fund	$537,223	$537,223
TOS	Treasurer of State	090402	Continuing Education	$403,959	$403,959
TOS	Treasurer of State	090524	Police and Fire Disability Pension Fund	$8,000	$7,500
TOS	Treasurer of State	090534	Police & Fire Ad Hoc Cost of Living	$95,000	$90,000
TOS	Treasurer of State	090554	Police and Fire Survivor Benefits	$720,000	$680,000
TOS	Treasurer of State	090575	Police and Fire Death Benefits	$20,000,000	$20,000,000
VTO	Veterans' Organizations	743501	American Ex-Prisoners of War	$27,533	$27,533
VTO	Veterans' Organizations	746501	Army and Navy Union, USA, Inc.	$60,513	$60,513
VTO	Veterans' Organizations	747501	Korean War Veterans	$54,398	$54,398
VTO	Veterans' Organizations	748501	Jewish War Veterans	$32,687	$32,687
VTO	Veterans' Organizations	749501	Catholic War Veterans	$63,789	$63,789
VTO	Veterans' Organizations	750501	Military Order of the Purple Heart	$62,015	$62,015
VTO	Veterans' Organizations	751501	Vietnam Veterans of America	$204,549	$204,549
VTO	Veterans' Organizations	752501	American Legion of Ohio	$332,561	$332,561

VTO	Veterans' Organizations	753501	Amvets	$316,711	$316,711
VTO	Veterans' Organizations	754501	Disabled American Veterans	$237,939	$237,939
VTO	Veterans' Organizations	756501	Marine Corps League	$127,569	$127,569
VTO	Veterans' Organizations	757501	37th Div AEF Veterans' Association	$6,541	$6,541
VTO	Veterans' Organizations	758501	Veterans of Foreign Wars	$271,277	$271,277
DVS	Department of Veterans Services	900100	Personal Services	$25,219,282	$25,219,282
DVS	Department of Veterans Services	900200	Maintenance	$4,427,264	$4,427,264
DVS	Department of Veterans Services	900402	Hall of Fame	$118,750	$118,750
DVS	Department of Veterans Services	900403	Veteran Record Conversion	$40,631	$40,631
DVS	Department of Veterans Services	900408	Department of Veterans Services	$2,054,790	$2,054,790
DYS	Department of Youth Services	470401	RECLAIM Ohio	$196,288,874	$184,026,374
DYS	Department of Youth Services	470412	Lease Rental Payments	$22,863,300	$26,043,900
DYS	Department of Youth Services	470510	Youth Services	$16,702,728	$16,702,728
DYS	Department of Youth Services	472321	Parole Operations	$11,400,020	$11,400,020
DYS	Department of Youth Services	477321	Administrative Operations	$13,342,557	$13,580,057
General Revenue Fund Total				**$24,631,183,745**	**$25,888,526,989**

Managers on the Part of the House of Representatives

/S/ VERNON SYKES
VERNON SYKES

/S/ JAY P. GOYAL
JAY P. GOYAL

_____
RON AMSTUTZ

Managers on the Part of the Senate

/S/ JOHN A. CAREY, JR.
JOHN A. CAREY, JR.

/S/ MARK D. WAGONER, JR.
MARK D. WAGONER, JR.

/S/ DALE MILLER
DALE MILLER

Senator Niehaus moved that the report of the committee of conference on **Am. Sub. H. B. No. 1**, be brought up for immediate consideration, pursuant to Senate Rule No. 44.

The question being, "Shall the motion be agreed to?"

The motion was agreed to.

The question being, "Shall the report of the Committee of Conference be agreed to?"

The yeas and nays were taken and resulted - yeas 17, nays 15, as follows:

Those who voted in the affirmative were: Senators

Cafaro	Carey	Faber	Fedor
Kearney	Miller D	Miller R	Morano
Niehaus	Sawyer	Schiavoni	Smith
Strahorn	Turner	Wagoner	Wilson
			Harris-17.

Those who voted in the negative were: Senators

Buehrer	Cates	Coughlin	Gibbs
Gillmor	Goodman	Grendell	Hughes
Husted	Patton	Schaffer	Schuring
Seitz	Stewart		Widener-15.

So the report of Committee of Conference was agreed to.

The question being, "Shall the title be agreed to?"

Senator Carey moved to amend the title as follows:

Remove the names: "Grendell, Gillmor, Patton."

The question being, "Shall the motion be agreed to?"

The motion was agreed to and the title so amended.

On the motion of Senator Niehaus, the Senate recessed until 7:27 p.m.

The Senate met pursuant to the recess.

Message from the House of Representatives

Mr. President:

I am directed to inform you that the House of Representatives has concurred in the adoption of the following joint resolution:

Am. Sub. S. J. R. No. 6 -Senators Gibbs, Wilson
Cosponsors: Senators Faber, Grendell, Morano, Buehrer, Cafaro, Carey, Fedor, Gillmor, Goodman, Harris, Husted, Niehaus, Sawyer, Schaffer, Seitz, Stewart, Strahorn, Wagoner, Widener, Patton Representatives Adams, J., Adams, R., Amstutz, Bacon, Baker, Balderson, Batchelder, Blair, Blessing, Bolon, Book, Boose, Bubp, Burke, Carney, Coley, Combs, Daniels, Derickson, Dodd, Dolan, Domenick, Dyer, Evans, Fende, Gardner, Garland, Garrison, Gerberry, Goodwin, Goyal, Grossman, Hackett, Hall, Heard, Hite, Hottinger, Huffman, Jones, Jordan, Lehner, Letson, Luckie, Lundy, Maag,

Mallory, Mandel, Martin, McClain, McGregor, Mecklenborg, Morgan, Murray, Newcomb, Oelslager, Okey, Otterman, Phillips, Pryor, Ruhl, Sayre, Sears, Slesnick, Snitchler, Stautberg, Stebelton, Szollosi, Uecker, Wachtmann, Wagner, Weddington, Williams, S., Winburn, Zehringer

Proposing to enact Section 1 of Article XIV of the Constitution of the State of Ohio to create the Ohio Livestock Care Standards Board.

With the following additional amendments, in which the concurrence of the Senate is requested.

In line 62, delete everything after " (E)"

Delete lines 63 and 64

In line 65, delete " (F)"

In line 44, delete " exclusive"

In line 46, delete " only"

Attest: Tom Sherman,
Clerk.

Mr. President, I move that the amendments of the House of Representatives to **Am. Sub. S. J. R. No. 6**, be brought up for immediate consideration.

The question being, "Shall the motion be agreed to?"

The motion was agreed to.

The question being,"Shall the Senate concur in the House amendments to **Am. Sub. S. J. R. No. 6**?"

The yeas and nays were taken and resulted - yeas 31, nays 1, as follows:

Those who voted in the affirmative were: Senators

Buehrer	Cafaro	Carey	Cates
Coughlin	Faber	Gibbs	Gillmor
Goodman	Grendell	Hughes	Husted
Kearney	Miller D	Miller R	Morano
Niehaus	Patton	Sawyer	Schaffer
Schiavoni	Schuring	Seitz	Smith
Stewart	Strahorn	Turner	Wagoner
Widener	Wilson		Harris-31.

Senator Fedor voted in the negative-1.

So the Senate concurred in the amendments of the House of Representatives.

Message from the House of Representatives

Mr. President:

I am directed to inform you that the House of Representatives has concurred in the Senate amendments to:

Am. H. B. No. 150 -Representatives Ujvagi, McGregor - et al.

Attest: Tom Sherman,
Clerk.

Message from the House of Representatives

Mr. President:

I am directed to inform you that the House of Representatives has agreed to the report of the Committee of Conference on matters of difference between the two houses on:

Am. Sub. H. B. No. 1 -Representative Sykes - et al.

Attest: Tom Sherman,
Clerk.

MOTIONS

Senator Wagoner moved that Senators absent the week of Sunday, July 12, 2009, be excused, so long as a written explanation is on file with the Clerk pursuant to Senate Rule No. 17.

The question being, "Shall the motion be agreed to?"

The motion was agreed to.

CLERK'S NOTATION

The vote on the emergency clause on **Am. H. B. No. 150** was taken in error. The adopted appropriation amendment offered by Senator Carey removed the bill’s emergency clause. The subsequent vote on the emergency clause was therefore unnecessary.

On the motion of Senator Niehaus, the Senate adjourned until Tuesday, July 14, 2009 at 11:00 o'clock a.m.

Attest: VINCENT L. KEERAN,
Clerk.