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128th General Assembly

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Am. Sub. H. B. No. 16

Representative Sykes

**Cosponsors: Representatives Dodd, Letson, Dyer, Phillips, Bolon, Brown,
Combs, Domenick, Foley, Gerberry, Goyal, Harris, Heard, Koziura, Luckie,
Mallory, Moran, Pryor, Slesnick, Stewart, Szollosi, Weddington, Williams, B.,
Williams, S., Winburn, Yates, Yuko**

Senators Gillmor, Harris

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A B I L L

To amend sections 124.15, 124.18, 124.181, 124.34, 1
124.385, 124.392, 126.05, 2305.24, 2305.25, 2
4121.04, and 4123.511 of the Revised Code to make 3
certain reductions in state employee benefits, to 4
make changes to the Industrial Commission Law, to 5
make operating appropriations for the period 6
beginning July 1, 2009, and ending July 7, 2009, 7
to authorize transfers from the Budget 8
Stabilization Fund in fiscal year 2009, to make 9
certain non-General Revenue Fund appropriations 10
for fiscal year 2010, to make debt service 11
appropriations for the FY 2010-FY 2011 biennium, 12
to make appropriations for the Industrial 13
Commission for the biennium beginning July 1, 14
2009, and ending June 30, 2011, and to provide 15
authorization and conditions for the operation of 16
Commission programs. 17

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

Section 101. That sections 124.15, 124.18, 124.181, 124.34, 18
124.385, 124.392, 126.05, 2305.24, 2305.25, 4121.04, and 4123.511 19
of the Revised Code be amended to read as follows: 20

Sec. 124.15. (A) Board and commission members appointed prior 21
to July 1, 1991, shall be paid a salary or wage in accordance with 22
the following schedules of rates: 23

Schedule B 24

Pay Ranges and Step Values 25

Range	Step 1	Step 2	Step 3	Step 4	
23 Hourly	5.72	5.91	6.10	6.31	27
Annually	11897.60	12292.80	12688.00	13124.80	28
	Step 5	Step 6			29
Hourly	6.52	6.75			30
Annually	13561.60	14040.00			31
	Step 1	Step 2	Step 3	Step 4	32
24 Hourly	6.00	6.20	6.41	6.63	33
Annually	12480.00	12896.00	13332.80	13790.40	34
	Step 5	Step 6			35
Hourly	6.87	7.10			36
Annually	14289.60	14768.00			37
	Step 1	Step 2	Step 3	Step 4	38
25 Hourly	6.31	6.52	6.75	6.99	39
Annually	13124.80	13561.60	14040.00	14539.20	40
	Step 5	Step 6			41
Hourly	7.23	7.41			42
Annually	15038.40	15412.80			43
	Step 1	Step 2	Step 3	Step 4	44
26 Hourly	6.63	6.87	7.10	7.32	45
Annually	13790.40	14289.60	14768.00	15225.60	46
	Step 5	Step 6			47
Hourly	7.53	7.77			48

	Annually	15662.40	16161.60			49
		Step 1	Step 2	Step 3	Step 4	50
27	Hourly	6.99	7.23	7.41	7.64	51
	Annually	14534.20	15038.40	15412.80	15891.20	52
		Step 5	Step 6	Step 7		53
	Hourly	7.88	8.15	8.46		54
	Annually	16390.40	16952.00	17596.80		55
		Step 1	Step 2	Step 3	Step 4	56
28	Hourly	7.41	7.64	7.88	8.15	57
	Annually	15412.80	15891.20	16390.40	16952.00	58
		Step 5	Step 6	Step 7		59
	Hourly	8.46	8.79	9.15		60
	Annually	17596.80	18283.20	19032.00		61
		Step 1	Step 2	Step 3	Step 4	62
29	Hourly	7.88	8.15	8.46	8.79	63
	Annually	16390.40	16952.00	17596.80	18283.20	64
		Step 5	Step 6	Step 7		65
	Hourly	9.15	9.58	10.01		66
	Annually	19032.00	19926.40	20820.80		67
		Step 1	Step 2	Step 3	Step 4	68
30	Hourly	8.46	8.79	9.15	9.58	69
	Annually	17596.80	18283.20	19032.00	19926.40	70
		Step 5	Step 6	Step 7		71
	Hourly	10.01	10.46	10.99		72
	Annually	20820.80	21756.80	22859.20		73
		Step 1	Step 2	Step 3	Step 4	74
31	Hourly	9.15	9.58	10.01	10.46	75
	Annually	19032.00	19962.40	20820.80	21756.80	76
		Step 5	Step 6	Step 7		77
	Hourly	10.99	11.52	12.09		78
	Annually	22859.20	23961.60	25147.20		79
		Step 1	Step 2	Step 3	Step 4	80
32	Hourly	10.01	10.46	10.99	11.52	81

	Annually	20820.80	21756.80	22859.20	23961.60	82
		Step 5	Step 6	Step 7	Step 8	83
	Hourly	12.09	12.68	13.29	13.94	84
	Annually	25147.20	26374.40	27643.20	28995.20	85
		Step 1	Step 2	Step 3	Step 4	86
33	Hourly	10.99	11.52	12.09	12.68	87
	Annually	22859.20	23961.60	25147.20	26374.40	88
		Step 5	Step 6	Step 7	Step 8	89
	Hourly	13.29	13.94	14.63	15.35	90
	Annually	27643.20	28995.20	30430.40	31928.00	91
		Step 1	Step 2	Step 3	Step 4	92
34	Hourly	12.09	12.68	13.29	13.94	93
	Annually	25147.20	26374.40	27643.20	28995.20	94
		Step 5	Step 6	Step 7	Step 8	95
	Hourly	14.63	15.35	16.11	16.91	96
	Annually	30430.40	31928.00	33508.80	35172.80	97
		Step 1	Step 2	Step 3	Step 4	98
35	Hourly	13.29	13.94	14.63	15.35	99
	Annually	27643.20	28995.20	30430.40	31928.00	100
		Step 5	Step 6	Step 7	Step 8	101
	Hourly	16.11	16.91	17.73	18.62	102
	Annually	33508.80	35172.80	36878.40	38729.60	103
		Step 1	Step 2	Step 3	Step 4	104
36	Hourly	14.63	15.35	16.11	16.91	105
	Annually	30430.40	31928.00	33508.80	35172.80	106
		Step 5	Step 6	Step 7	Step 8	107
	Hourly	17.73	18.62	19.54	20.51	108
	Annually	36878.40	38729.60	40643.20	42660.80	109
	Schedule C					110
		Pay Range and Values				111
	Range	Minimum		Maximum		112
41	Hourly	10.44		15.72		113
	Annually	21715.20		32697.60		114

42 Hourly	11.51	17.35	115
Annually	23940.80	36088.00	116
43 Hourly	12.68	19.12	117
Annually	26374.40	39769.60	118
44 Hourly	13.99	20.87	119
Annually	29099.20	43409.60	120
45 Hourly	15.44	22.80	121
Annually	32115.20	47424.00	122
46 Hourly	17.01	24.90	123
Annually	35380.80	51792.00	124
47 Hourly	18.75	27.18	125
Annually	39000.00	56534.40	126
48 Hourly	20.67	29.69	127
Annually	42993.60	61755.20	128
49 Hourly	22.80	32.06	129
Annually	47424.00	66684.80	130

(B) The pay schedule of all employees shall be on a biweekly basis, with amounts computed on an hourly basis. 131
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(C) Part-time employees shall be compensated on an hourly basis for time worked, at the rates shown in division (A) of this section or in section 124.152 of the Revised Code. 133
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(D) The salary and wage rates in division (A) of this section or in section 124.152 of the Revised Code represent base rates of compensation and may be augmented by the provisions of section 124.181 of the Revised Code. In those cases where lodging, meals, laundry, or other personal services are furnished an employee in the service of the state, the actual costs or fair market value of the personal services shall be paid by the employee in such amounts and manner as determined by the director of administrative services and approved by the director of budget and management, and those personal services shall not be considered as a part of the employee's compensation. An appointing authority that appoints 136
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employees in the service of the state, with the approval of the 147
director of administrative services and the director of budget and 148
management, may establish payments to employees for uniforms, 149
tools, equipment, and other requirements of the department and 150
payments for the maintenance of them. 151

The director of administrative services may review collective 152
bargaining agreements entered into under Chapter 4117. of the 153
Revised Code that cover employees in the service of the state and 154
determine whether certain benefits or payments provided to the 155
employees covered by those agreements should also be provided to 156
employees in the service of the state who are exempt from 157
collective bargaining coverage and are paid in accordance with 158
section 124.152 of the Revised Code or are listed in division 159
(B)(2) or (4) of section 124.14 of the Revised Code. On completing 160
the review, the director of administrative services, with the 161
approval of the director of budget and management, may provide to 162
some or all of these employees any payment or benefit, except for 163
salary, contained in such a collective bargaining agreement even 164
if it is similar to a payment or benefit already provided by law 165
to some or all of these employees. Any payment or benefit so 166
provided shall not exceed the highest level for that payment or 167
benefit specified in such a collective bargaining agreement. The 168
director of administrative services shall not provide, and the 169
director of budget and management shall not approve, any payment 170
or benefit to such an employee under this division unless the 171
payment or benefit is provided pursuant to a collective bargaining 172
agreement to a state employee who is in a position with similar 173
duties as, is supervised by, or is employed by the same appointing 174
authority as, the employee to whom the benefit or payment is to be 175
provided. 176

As used in this division, "payment or benefit already 177
provided by law" includes, but is not limited to, bereavement, 178

personal, vacation, administrative, and sick leave, disability 179
benefits, holiday pay, and pay supplements provided under the 180
Revised Code, but does not include wages or salary. 181

(E) New employees paid in accordance with schedule B of 182
division (A) of this section or schedule E-1 of section 124.152 of 183
the Revised Code shall be employed at the minimum rate established 184
for the range unless otherwise provided. Employees with 185
qualifications that are beyond the minimum normally required for 186
the position and that are determined by the director to be 187
exceptional may be employed in, or may be transferred or promoted 188
to, a position at an advanced step of the range. Further, in time 189
of a serious labor market condition when it is relatively 190
impossible to recruit employees at the minimum rate for a 191
particular classification, the entrance rate may be set at an 192
advanced step in the range by the director of administrative 193
services. This rate may be limited to geographical regions of the 194
state. Appointments made to an advanced step under the provision 195
regarding exceptional qualifications shall not affect the step 196
assignment of employees already serving. However, anytime the 197
hiring rate of an entire classification is advanced to a higher 198
step, all incumbents of that classification being paid at a step 199
lower than that being used for hiring, shall be advanced beginning 200
at the start of the first payperiod thereafter to the new hiring 201
rate, and any time accrued at the lower step will be used to 202
calculate advancement to a succeeding step. If the hiring rate of 203
a classification is increased for only a geographical region of 204
the state, only incumbents who work in that geographical region 205
shall be advanced to a higher step. When an employee in the 206
unclassified service changes from one state position to another or 207
is appointed to a position in the classified service, or if an 208
employee in the classified service is appointed to a position in 209
the unclassified service, the employee's salary or wage in the new 210
position shall be determined in the same manner as if the employee 211

were an employee in the classified service. When an employee in 212
the unclassified service who is not eligible for step increases is 213
appointed to a classification in the classified service under 214
which step increases are provided, future step increases shall be 215
based on the date on which the employee last received a pay 216
increase. If the employee has not received an increase during the 217
previous year, the date of the appointment to the classified 218
service shall be used to determine the employee's annual step 219
advancement eligibility date. In reassigning any employee to a 220
classification resulting in a pay range increase or to a new pay 221
range as a result of a promotion, an increase pay range 222
adjustment, or other classification change resulting in a pay 223
range increase, the director shall assign such employee to the 224
step in the new pay range that will provide an increase of 225
approximately four per cent if the new pay range can accommodate 226
the increase. When an employee is being assigned to a 227
classification or new pay range as the result of a class plan 228
change, if the employee has completed a probationary period, the 229
employee shall be placed in a step no lower than step two of the 230
new pay range. If the employee has not completed a probationary 231
period, the employee may be placed in step one of the new pay 232
range. Such new salary or wage shall become effective on such date 233
as the director determines. 234

(F) If employment conditions and the urgency of the work 235
require such action, the director of administrative services may, 236
upon the application of a department head, authorize payment at 237
any rate established within the range for the class of work, for 238
work of a casual or intermittent nature or on a project basis. 239
Payment at such rates shall not be made to the same individual for 240
more than three calendar months in any one calendar year. Any such 241
action shall be subject to the approval of the director of budget 242
and management as to the availability of funds. This section and 243
sections 124.14 and 124.152 of the Revised Code do not repeal any 244

authority of any department or public official to contract with or 245
fix the compensation of professional persons who may be employed 246
temporarily for work of a casual nature or for work on a project 247
basis. 248

(G)(1) Except as provided in ~~division~~ divisions (G)(2) and 249
(3) of this section, each state employee paid in accordance with 250
schedule B of this section or schedule E-1 of section 124.152 of 251
the Revised Code shall be eligible for advancement to succeeding 252
steps in the range for the employee's class or grade according to 253
the schedule established in this division. Beginning on the first 254
day of the pay period within which the employee completes the 255
prescribed probationary period in the employee's classification 256
with the state, each employee shall receive an automatic salary 257
adjustment equivalent to the next higher step within the pay range 258
for the employee's class or grade. 259

~~Each~~ Except as provided in divisions (G)(2) and (3) of this 260
section, each employee paid in accordance with schedule E-1 of 261
section 124.152 of the Revised Code shall be eligible to advance 262
to the next higher step until the employee reaches the top step in 263
the range for the employee's class or grade, if the employee has 264
maintained satisfactory performance in accordance with criteria 265
established by the employee's appointing authority. Those step 266
advancements shall not occur more frequently than once in any 267
twelve-month period. 268

~~When an employee is promoted or reassigned to a higher pay~~ 269
~~range, the employee's step indicator shall return to "0" or be~~ 270
~~adjusted to account for a probationary period, as appropriate.~~ 271
When an employee is promoted, the step entry date shall be set to 272
account for a probationary period. When an employee is reassigned 273
to a higher pay range, the step entry date shall be set to allow 274
an employee who is not at the highest step of the range to receive 275
a step advancement one year from the reassignment date. Step 276

advancement shall not be affected by demotion. A promoted employee 277
shall advance to the next higher step of the pay range on the 278
first day of the pay period in which the required probationary 279
period is completed. Step advancement shall become effective at 280
the beginning of the pay period within which the employee attains 281
the necessary length of service. Time spent on authorized leave of 282
absence shall be counted for this purpose. 283

If determined to be in the best interest of the state 284
service, the director of administrative services may, either 285
statewide or in selected agencies, adjust the dates on which 286
annual step advancements are received by employees paid in 287
accordance with schedule E-1 of section 124.152 of the Revised 288
Code. 289

~~(2)(a)(i) Except as provided in division (G)(2)(a)(ii) of~~ 290
~~this section, there~~ There shall be a moratorium on annual step 291
advancements under division (G)(1) of this section ~~from the pay~~ 292
~~period beginning June 29, 2003~~ June 21, 2009, through ~~the pay~~ 293
~~period ending June 25, 2005~~ June 20, 2011. Step advancements shall 294
resume with the pay period beginning ~~June 26, 2005~~ June 21, 2011. 295
Upon the resumption of step advancements, there shall be no 296
retroactive step advancements for the period the moratorium was in 297
effect. The moratorium shall not affect an employee's performance 298
evaluation schedule. 299

~~(ii) During the moratorium under division (G)(2)(a)(i) of~~ 300
~~this section, an employee who is hired or promoted and serves a~~ 301
~~probationary period in the employee's new position shall advance~~ 302
~~to the next step in the employee's pay range upon successful~~ 303
~~completion of the employee's probationary period. Thereafter, the~~ 304
~~employee is subject to the moratorium. An employee who begins a~~ 305
probationary period before June 21, 2009, shall advance to the 306
next step in the employee's pay range at the end of probation, and 307
then become subject to the moratorium. An employee who is hired, 308

promoted, or reassigned to a higher pay range between June 21, 309
2009, through June 20, 2011, shall not advance to the next step in 310
the employee's pay range until the next anniversary of the 311
employee's date of hire, promotion, or reassignment that occurs on 312
or after June 21, 2011. 313

(b) The moratorium under division (G)(2)(a)(~~i~~) of this 314
section shall apply to the employees of the secretary of state, 315
the auditor of state, the treasurer of state, and the attorney 316
general, who are subject to this section unless the secretary of 317
state, the auditor of state, the treasurer of state, or the 318
attorney general decides to exempt the office's employees from the 319
moratorium and so notifies the director of administrative services 320
in writing on or before ~~July 1, 2003~~ July 1, 2009. 321

(3) Employees in intermittent positions shall be employed at 322
the minimum rate established for the pay range for their 323
classification and are not eligible for step advancements. 324

(H) Employees in appointive managerial or professional 325
positions paid in accordance with schedule C of this section or 326
schedule E-2 of section 124.152 of the Revised Code may be 327
appointed at any rate within the appropriate pay range. This rate 328
of pay may be adjusted higher or lower within the respective pay 329
range at any time the appointing authority so desires as long as 330
the adjustment is based on the employee's ability to successfully 331
administer those duties assigned to the employee. Salary 332
adjustments shall not be made more frequently than once in any 333
six-month period under this provision to incumbents holding the 334
same position and classification. 335

(I) When an employee is assigned to duty outside this state, 336
the employee may be compensated, upon request of the department 337
head and with the approval of the director of administrative 338
services, at a rate not to exceed fifty per cent in excess of the 339
employee's current base rate for the period of time spent on that 340

duty. 341

(J) Unless compensation for members of a board or commission 342
is otherwise specifically provided by law, the director of 343
administrative services shall establish the rate and method of 344
payment for members of boards and commissions pursuant to the pay 345
schedules listed in section 124.152 of the Revised Code. 346

(K) Regular full-time employees in positions assigned to 347
classes within the instruction and education administration series 348
under the rules of the director of administrative services, except 349
certificated employees on the instructional staff of the state 350
school for the blind or the state school for the deaf, whose 351
positions are scheduled to work on the basis of an academic year 352
rather than a full calendar year, shall be paid according to the 353
pay range assigned by such rules but only during those pay periods 354
included in the academic year of the school where the employee is 355
located. 356

(1) Part-time or substitute teachers or those whose period of 357
employment is other than the full academic year shall be 358
compensated for the actual time worked at the rate established by 359
this section. 360

(2) Employees governed by this division are exempt from 361
sections 124.13 and 124.19 of the Revised Code. 362

(3) Length of service for the purpose of determining 363
eligibility for step advancements as provided by division (G) of 364
this section and for the purpose of determining eligibility for 365
longevity pay supplements as provided by division (E) of section 366
124.181 of the Revised Code shall be computed on the basis of one 367
full year of service for the completion of each academic year. 368

(L) The superintendent of the state school for the deaf and 369
the superintendent of the state school for the blind shall, 370
subject to the approval of the superintendent of public 371

instruction, carry out both of the following: 372

(1) Annually, between the first day of April and the last day 373
of June, establish for the ensuing fiscal year a schedule of 374
hourly rates for the compensation of each certificated employee on 375
the instructional staff of that superintendent's respective school 376
constructed as follows: 377

(a) Determine for each level of training, experience, and 378
other professional qualification for which an hourly rate is set 379
forth in the current schedule, the per cent that rate is of the 380
rate set forth in such schedule for a teacher with a bachelor's 381
degree and no experience. If there is more than one such rate for 382
such a teacher, the lowest rate shall be used to make the 383
computation. 384

(b) Determine which six city, local, and exempted village 385
school districts with territory in Franklin county have in effect 386
on, or have adopted by, the first day of April for the school year 387
that begins on the ensuing first day of July, teacher salary 388
schedules with the highest minimum salaries for a teacher with a 389
bachelor's degree and no experience; 390

(c) Divide the sum of such six highest minimum salaries by 391
ten thousand five hundred sixty; 392

(d) Multiply each per cent determined in division (L)(1)(a) 393
of this section by the quotient obtained in division (L)(1)(c) of 394
this section; 395

(e) One hundred five per cent of each product thus obtained 396
shall be the hourly rate for the corresponding level of training, 397
experience, or other professional qualification in the schedule 398
for the ensuing fiscal year. 399

(2) Annually, assign each certificated employee on the 400
instructional staff of the superintendent's respective school to 401
an hourly rate on the schedule that is commensurate with the 402

employee's training, experience, and other professional 403
qualifications. 404

If an employee is employed on the basis of an academic year, 405
the employee's annual salary shall be calculated by multiplying 406
the employee's assigned hourly rate times one thousand seven 407
hundred sixty. If an employee is not employed on the basis of an 408
academic year, the employee's annual salary shall be calculated in 409
accordance with the following formula: 410

(a) Multiply the number of days the employee is required to 411
work pursuant to the employee's contract by eight; 412

(b) Multiply the product of division (L)(2)(a) of this 413
section by the employee's assigned hourly rate. 414

Each employee shall be paid an annual salary in biweekly 415
installments. The amount of each installment shall be calculated 416
by dividing the employee's annual salary by the number of biweekly 417
installments to be paid during the year. 418

Sections 124.13 and 124.19 of the Revised Code do not apply 419
to an employee who is paid under this division. 420

As used in this division, "academic year" means the number of 421
days in each school year that the schools are required to be open 422
for instruction with pupils in attendance. Upon completing an 423
academic year, an employee paid under this division shall be 424
deemed to have completed one year of service. An employee paid 425
under this division is eligible to receive a pay supplement under 426
division (L)(1), (2), or (3) of section 124.181 of the Revised 427
Code for which the employee qualifies, but is not eligible to 428
receive a pay supplement under division (L)(4) or (5) of that 429
section. An employee paid under this division is eligible to 430
receive a pay supplement under division (L)(6) of section 124.181 431
of the Revised Code for which the employee qualifies, except that 432
the supplement is not limited to a maximum of five per cent of the 433

employee's regular base salary in a calendar year. 434

(M) Division (A) of this section does not apply to "exempt 435
employees," as defined in section 124.152 of the Revised Code, who 436
are paid under that section. 437

Notwithstanding any other provisions of this chapter, when an 438
employee transfers between bargaining units or transfers out of or 439
into a bargaining unit, the director of administrative services 440
shall establish the employee's compensation and adjust the maximum 441
leave accrual schedule as the director deems equitable. 442

Sec. 124.18. (A) Forty hours shall be the standard work week 443
for all employees whose salary or wage is paid in whole or in part 444
by the state or by any state-supported college or university. When 445
any employee whose salary or wage is paid in whole or in part by 446
the state or by any state-supported college or university is 447
required by an authorized administrative authority to be in an 448
active pay status more than forty hours in any calendar week, the 449
employee shall be compensated for such time over forty hours, 450
except as otherwise provided in this section, at one and one-half 451
times the employee's regular rate of pay. The use of sick leave or 452
any leave used in lieu of sick leave shall not be considered to be 453
active pay status for the purposes of earning overtime or 454
compensatory time by employees whose wages are paid directly by 455
warrant of the director of budget and management. A flexible-hours 456
employee is not entitled to compensation for overtime work unless 457
the employee's authorized administrative authority required the 458
employee to be in active pay status for more than forty hours in a 459
calendar week, regardless of the number of hours the employee 460
works on any day in the same calendar week. 461

Such compensation for overtime work shall be paid no later 462
than at the conclusion of the next succeeding pay period. 463

If the employee elects to take compensatory time off in lieu 464

of overtime pay for any overtime worked, such compensatory time 465
shall be granted by the employee's administrative superior, on a 466
time and one-half basis, at a time mutually convenient to the 467
employee and the administrative superior. Compensatory time is not 468
available for use until it appears on the employee's earning 469
statement and the compensation described in the earning statement 470
is available to the employee. 471

An employee may accrue compensatory time to a maximum of two 472
hundred forty hours, except that public safety employees and other 473
employees who meet the criteria established in the "Federal Fair 474
Labor Standards Act of 1938," 52 Stat. 1060, 29 U.S.C.A. 207, 213, 475
as amended, may accrue a maximum of four hundred eighty hours of 476
compensatory time. An employee shall be paid at the employee's 477
regular rate of pay for any hours of compensatory time accrued in 478
excess of these maximum amounts if the employee has not used the 479
compensatory time within ~~one~~ three hundred eighty sixty-five days 480
after it is granted, if the employee transfers to another agency 481
of the state, or if a change in the employee's status exempts the 482
employee from the payment of overtime compensation. Upon the 483
termination of employment, any employee with accrued but unused 484
compensatory time shall be paid for that time at a rate that is 485
the greater of the employee's final regular rate of pay or the 486
employee's average regular rate of pay during the employee's last 487
three years of employment with the state. 488

No overtime, as described in this section, can be paid unless 489
it has been authorized by the authorized administrative authority. 490
Employees may be exempted from the payment of compensation as 491
required by this section only under the criteria for exemption 492
from the payment of overtime compensation established in the 493
"Federal Fair Labor Standards Act of 1938," 52 Stat. 1060, 29 494
U.S.C.A. 207, 213, as amended. With the approval of the director 495
of administrative services, the appointing authority may establish 496

a policy to grant compensatory time or to pay compensation to 497
state employees who are exempt from overtime compensation. With 498
the approval of the board of county commissioners, a county human 499
services department may establish a policy to grant compensatory 500
time or to pay compensation to employees of the department who are 501
exempt from overtime compensation. 502

(B)(1) An employee, whose salary or wage is paid in whole or 503
in part by the state, shall be paid for the holidays declared in 504
section 124.19 of the Revised Code and shall not be required to 505
work on those holidays, unless, in the opinion of the employee's 506
responsible administrative authority, failure to work on those 507
holidays would impair the public service. ~~An~~ 508

(2) An employee paid directly by warrant of the director of 509
budget and management who is scheduled to work on a holiday the 510
first day of January, the commemoration of memorial day, the 511
fourth day of July, the fourth Thursday in November, or the 512
twenty-fifth day of December and who does not report to work the 513
day before, the day of, or the day after the holiday due to an 514
illness of the employee or of a member of the employee's immediate 515
family shall not receive holiday pay as provided by this division, 516
unless the employee can provide documentation of extenuating 517
circumstances that prohibited the employee from so reporting to 518
work. ~~An~~ If the employee works a shift between the employee's 519
scheduled shift and the holiday, the employee shall be paid for 520
the holiday. 521

(3) An employee also shall not be paid for a holiday unless 522
the employee was in active pay status on the scheduled work day 523
immediately preceding the holiday, except that an employee need 524
not be in active pay status on that work day in order to be paid 525
for the holiday if the employee is participating in a mandatory or 526
voluntary cost savings day under section 124.392 of the Revised 527
Code. 528

~~(2)~~(4) If any of the holidays declared in section 124.19 of the Revised Code falls on Saturday, the Friday immediately preceding shall be observed as the holiday. If any of the holidays declared in section 124.19 of the Revised Code falls on Sunday, the Monday immediately succeeding shall be observed as the holiday. Employees whose work schedules are based on the requirements of a seven-days-a-week work operation shall observe holidays on the actual days specified in section 124.19 of the Revised Code.

~~(3)~~(5) If an employee's work schedule is other than Monday through Friday, the employee shall be entitled to eight hours of holiday pay for holidays observed on the employee's day off regardless of the day of the week on which they are observed.

~~(4)~~(6) A full-time permanent employee is entitled to a minimum of eight hours of pay for each holiday regardless of the employee's work shift and work schedule. A flexible-hours employee, who is normally scheduled to work in excess of eight hours on a day on which a holiday falls, either shall be required to work an alternate schedule for that week or shall receive additional holiday pay for the hours the employee is normally scheduled to work. Such an alternate schedule may require a flexible-hours employee to work five shifts consisting of eight hours each during the week including the holiday, and, in that case, the employee shall receive eight hours of holiday pay for the day the holiday is observed.

~~(5) Part-time (7) Except as provided under section 124.392 of the Revised Code, part-time permanent employees shall receive four hours of holiday pay on a pro-rated basis, based upon the daily average of actual hours worked, excluding overtime hours worked, in the previous calendar quarter. The figure shall be calculated for the preceding calendar quarter on the first day of January, April, July, and October of each year regardless of the employee's~~

work shift and work schedule. 561

~~(6)~~(8) When an employee who is eligible for overtime pay 562
under this section is required by the employee's responsible 563
administrative authority to work on the day observed as a holiday, 564
the employee shall be entitled to pay for such time worked at one 565
and one-half times the employee's regular rate of pay in addition 566
to the employee's regular pay, or to be granted compensatory time 567
off at time and one-half thereafter, at the employee's option. 568
Payment at such rate shall be excluded in the calculation of hours 569
in active pay status. 570

(C) Each appointing authority may designate the number of 571
employees in an agency who are flexible-hours employees. The 572
appointing authority may establish for each flexible-hours 573
employee a specified minimum number of hours to be worked each day 574
that is consistent with the "Federal Fair Labor Standards Act of 575
1938," 52 Stat. 1060, 29 U.S.C.A. 207, 213, as amended. 576

(D) This section shall be uniformly administered for 577
employees as defined in section 124.01 of the Revised Code and by 578
the personnel departments of state-supported colleges and 579
universities for employees of state-supported colleges and 580
universities. If employees are not paid directly by warrant of the 581
director of budget and management, the political subdivision shall 582
determine whether the use of sick leave shall be considered to be 583
active pay status for purposes of those employees earning overtime 584
or compensatory time. 585

(E) Policies relating to the payment of overtime pay or the 586
granting of compensatory time off shall be adopted by the chief 587
administrative officer of the house of representatives for 588
employees of the house of representatives, by the clerk of the 589
senate for employees of the senate, and by the director of the 590
legislative service commission for all other legislative 591
employees. 592

(F) As used in this section, "regular rate of pay" means the 593
base rate of pay an employee receives plus any pay supplements 594
received pursuant to section 124.181 of the Revised Code. 595

Sec. 124.181. (A) Except as provided in ~~division~~ divisions 596
(M) and (P) of this section, any employee paid in accordance with 597
schedule B of section 124.15 or schedule E-1 or schedule E-1 for 598
step seven only of section 124.152 of the Revised Code is eligible 599
for the pay supplements provided in this section upon application 600
by the appointing authority substantiating the employee's 601
qualifications for the supplement and with the approval of the 602
director of administrative services except as provided in division 603
(E) of this section. 604

(B)(1) Except as provided in section 124.183 of the Revised 605
Code, in computing any of the pay supplements provided in this 606
section for an employee paid in accordance with schedule B of 607
section 124.15 of the Revised Code, the classification salary base 608
shall be the minimum hourly rate of the pay range, provided in 609
that section, in which the employee is assigned at the time of 610
computation. 611

(2) Except as provided in section 124.183 of the Revised 612
Code, in computing any of the pay supplements provided in this 613
section for an employee paid in accordance with schedule E-1 of 614
section 124.152 of the Revised Code, the classification salary 615
base shall be the minimum hourly rate of the pay range, provided 616
in that section, in which the employee is assigned at the time of 617
computation. 618

(3) Except as provided in section 124.183 of the Revised 619
Code, in computing any of the pay supplements provided in this 620
section for an employee paid in accordance with schedule E-1 for 621
step seven only of section 124.152 of the Revised Code, the 622
classification salary base shall be the minimum hourly rate in the 623

corresponding pay range, provided in schedule E-1 of that section, 624
to which the employee is assigned at the time of the computation. 625

(C) The effective date of any pay supplement, except as 626
provided in section 124.183 of the Revised Code or unless 627
otherwise provided in this section, shall be determined by the 628
director. 629

(D) The director shall, by rule, establish standards 630
regarding the administration of this section. 631

(E)(1) Except as otherwise provided in this division, 632
beginning on the first day of the pay period within which the 633
employee completes five years of total service with the state 634
government or any of its political subdivisions, each employee in 635
positions paid in accordance with schedule B of section 124.15 of 636
the Revised Code or in accordance with schedule E-1 or schedule 637
E-1 for step seven only of section 124.152 of the Revised Code 638
shall receive an automatic salary adjustment equivalent to two and 639
one-half per cent of the classification salary base, to the 640
nearest whole cent. Each employee shall receive thereafter an 641
annual adjustment equivalent to one-half of one per cent of the 642
employee's classification salary base, to the nearest whole cent, 643
for each additional year of qualified employment until a maximum 644
of ten per cent of the employee's classification salary base is 645
reached. The granting of longevity adjustments shall not be 646
affected by promotion, demotion, or other changes in 647
classification held by the employee, nor by any change in pay 648
range for the employee's class or grade. Longevity pay adjustments 649
shall become effective at the beginning of the pay period within 650
which the employee completes the necessary length of service, 651
except that when an employee requests credit for prior service, 652
the effective date of the prior service credit and of any 653
longevity adjustment shall be the first day of the pay period 654
following approval of the credit by the director of administrative 655

services. No employee, other than an employee who submits proof of 656
prior service within ninety days after the date of the employee's 657
hiring, shall receive any longevity adjustment for the period 658
prior to the director's approval of a prior service credit. Time 659
spent on authorized leave of absence shall be counted for this 660
purpose. 661

(2) An employee who has retired in accordance with the 662
provisions of any retirement system offered by the state and who 663
is employed by the state or any political subdivision of the state 664
on or after June 24, 1987, shall not have prior service with the 665
state or any political subdivision of the state counted for the 666
purpose of determining the amount of the salary adjustment 667
provided under this division. 668

(3) There shall be a moratorium on employees' receipt under 669
this division of credit for service with the state government or 670
any of its political subdivisions during the period from July 1, 671
2003, through June 30, 2005. In calculating the number of years of 672
total service under this division, no credit shall be included for 673
service during the moratorium. The moratorium shall apply to the 674
employees of the secretary of state, the auditor of state, the 675
treasurer of state, and the attorney general, who are subject to 676
this section unless the secretary of state, the auditor of state, 677
the treasurer of state, or the attorney general decides to exempt 678
the office's employees from the moratorium and so notifies the 679
director of administrative services in writing on or before July 680
1, 2003. 681

If an employee is exempt from the moratorium, receives credit 682
for a period of service during the moratorium, and takes a 683
position with another entity in the state government or any of its 684
political subdivisions, either during or after the moratorium, and 685
if that entity's employees are or were subject to the moratorium, 686
the employee shall continue to retain the credit. However, if the 687

moratorium is in effect upon the taking of the new position, the 688
employee shall cease receiving additional credit as long as the 689
employee is in the position, until the moratorium expires. 690

(F) When an exceptional condition exists that creates a 691
temporary or a permanent hazard for one or more positions in a 692
class paid in accordance with schedule B of section 124.15 of the 693
Revised Code or in accordance with schedule E-1 or schedule E-1 694
for step seven only of section 124.152 of the Revised Code, a 695
special hazard salary adjustment may be granted for the time the 696
employee is subjected to the hazardous condition. All special 697
hazard conditions shall be identified for each position and 698
incidence from information submitted to the director on an 699
appropriate form provided by the director and categorized into 700
standard conditions of: some unusual hazard not common to the 701
class; considerable unusual hazard not common to the class; and 702
exceptional hazard not common to the class. 703

(1) A hazardous salary adjustment of five per cent of the 704
employee's classification salary base may be applied in the case 705
of some unusual hazardous condition not common to the class for 706
those hours worked, or a fraction of those hours worked, while the 707
employee was subject to the unusual hazard condition. 708

(2) A hazardous salary adjustment of seven and one-half per 709
cent of the employee's classification salary base may be applied 710
in the case of some considerable hazardous condition not common to 711
the class for those hours worked, or a fraction of those hours 712
worked, while the employee was subject to the considerable hazard 713
condition. 714

(3) A hazardous salary adjustment of ten per cent of the 715
employee's classification salary base may be applied in the case 716
of some exceptional hazardous condition not common to the class 717
for those hours worked, or a fraction of those hours worked, when 718
the employee was subject to the exceptional hazard condition. 719

(4) Each claim for temporary hazard pay shall be submitted as 720
a separate payment and shall be subject to an administrative audit 721
by the director as to the extent and duration of the employee's 722
exposure to the hazardous condition. 723

(G) When a full-time employee whose salary or wage is paid 724
directly by warrant of the director of budget and management and 725
who also is eligible for overtime under the "Fair Labor Standards 726
Act of 1938," 52 Stat. 1060, 29 U.S.C.A. 207, 213, as amended, is 727
ordered by the appointing authority to report back to work after 728
termination of the employee's regular work schedule and the 729
employee reports, the employee shall be paid for such time. The 730
employee shall be entitled to four hours at the employee's total 731
rate of pay or overtime compensation for the actual hours worked, 732
whichever is greater. This division does not apply to work that is 733
a continuation of or immediately preceding an employee's regular 734
work schedule. 735

(H) When a certain position or positions paid in accordance 736
with schedule B of section 124.15 of the Revised Code or in 737
accordance with schedule E-1 or schedule E-1 for step seven only 738
of section 124.152 of the Revised Code require the ability to 739
speak or write a language other than English, a special pay 740
supplement may be granted to attract bilingual individuals, to 741
encourage present employees to become proficient in other 742
languages, or to retain qualified bilingual employees. The 743
bilingual pay supplement provided in this division may be granted 744
in the amount of five per cent of the employee's classification 745
salary base for each required foreign language and shall remain in 746
effect as long as the bilingual requirement exists. 747

(I) The director of administrative services may establish a 748
shift differential for employees. The differential shall be paid 749
to employees in positions working in other than the regular or 750
first shift. In those divisions or agencies where only one shift 751

prevails, no shift differential shall be paid regardless of the 752
hours of the day that are worked. The director and the appointing 753
authority shall designate which positions shall be covered by this 754
division. 755

(J) Whenever an employee is assigned to work in a higher 756
level position for a continuous period of more than two weeks but 757
no more than two years because of a vacancy, the employee's pay 758
may be established at a rate that is approximately four per cent 759
above the employee's current base rate for the period the employee 760
occupies the position, provided that this temporary occupancy is 761
approved by the director. Employees paid under this division shall 762
continue to receive any of the pay supplements due them under 763
other divisions of this section based on the step one base rate 764
for their normal classification. 765

(K) If a certain position, or positions, within a class paid 766
in accordance with schedule B of section 124.15 of the Revised 767
Code or in accordance with schedule E-1 or schedule E-1 for step 768
seven only of section 124.152 of the Revised Code are mandated by 769
state or federal law or regulation or other regulatory agency or 770
other certification authority to have special technical 771
certification, registration, or licensing to perform the functions 772
which are under the mandate, a special professional achievement 773
pay supplement may be granted. This special professional 774
achievement pay supplement shall not be granted when all 775
incumbents in all positions in a class require a license as 776
provided in the classification description published by the 777
department of administrative services; to licensees where no 778
special or extensive training is required; when certification is 779
granted upon completion of a stipulated term of in-service 780
training; when an appointing authority has required certification; 781
or any other condition prescribed by the director. 782

(1) Before this supplement may be applied, evidence as to the 783

requirement must be provided by the agency for each position 784
involved, and certification must be received from the director as 785
to the director's concurrence for each of the positions so 786
affected. 787

(2) The professional achievement pay supplement provided in 788
this division shall be granted in an amount up to ten per cent of 789
the employee's classification salary base and shall remain in 790
effect as long as the mandate exists. 791

(L) Those employees assigned to teaching supervisory, 792
principal, assistant principal, or superintendent positions who 793
have attained a higher educational level than a basic bachelor's 794
degree may receive an educational pay supplement to remain in 795
effect as long as the employee's assignment and classification 796
remain the same. 797

(1) An educational pay supplement of two and one-half per 798
cent of the employee's classification salary base may be applied 799
upon the achievement of a bachelor's degree plus twenty quarter 800
hours of postgraduate work. 801

(2) An educational pay supplement of an additional five per 802
cent of the employee's classification salary base may be applied 803
upon achievement of a master's degree. 804

(3) An educational pay supplement of an additional two and 805
one-half per cent of the employee's classification salary base may 806
be applied upon achievement of a master's degree plus thirty 807
quarter hours of postgraduate work. 808

(4) An educational pay supplement of five per cent of the 809
employee's classification salary base may be applied when the 810
employee is performing as a master teacher. 811

(5) An educational pay supplement of five per cent of the 812
employee's classification salary base may be applied when the 813
employee is performing as a special education teacher. 814

(6) Those employees in teaching supervisory, principal, 815
assistant principal, or superintendent positions who are 816
responsible for specific extracurricular activity programs shall 817
receive overtime pay for those hours worked in excess of their 818
normal schedule, at their straight time hourly rate up to a 819
maximum of five per cent of their regular base salary in any 820
calendar year. 821

(M)(1) A state agency, board, or commission may establish a 822
supplementary compensation schedule for those licensed physicians 823
employed by the agency, board, or commission in positions 824
requiring a licensed physician. The supplementary compensation 825
schedule, together with the compensation otherwise authorized by 826
this chapter, shall provide for the total compensation for these 827
employees to range appropriately, but not necessarily uniformly, 828
for each classification title requiring a licensed physician, in 829
accordance with a schedule approved by the state controlling 830
board. The individual salary levels recommended for each such 831
physician employed shall be approved by the director. 832
Notwithstanding section 124.11 of the Revised Code, such personnel 833
are in the unclassified civil service. 834

(2) The director of administrative services may approve 835
supplementary compensation for the director of health, if the 836
director is a licensed physician, in accordance with a 837
supplementary compensation schedule approved under division (M)(1) 838
of this section or in accordance with another supplementary 839
compensation schedule the director of administrative services 840
considers appropriate. The supplementary compensation shall not 841
exceed twenty per cent of the director of health's base rate of 842
pay. 843

(N) Notwithstanding sections 117.28, 117.30, 117.33, 117.36, 844
117.42, and 131.02 of the Revised Code, the state shall not 845
institute any civil action to recover and shall not seek 846

reimbursement for overpayments made in violation of division (E) 847
of this section or division (C) of section 9.44 of the Revised 848
Code for the period starting after June 24, 1987, and ending on 849
October 31, 1993. 850

(O) Employees of the office of the treasurer of state who are 851
exempt from collective bargaining coverage may be granted a merit 852
pay supplement of up to one and one-half per cent of their step 853
rate. The rate at which this supplement is granted shall be based 854
on performance standards established by the treasurer of state. 855
Any supplements granted under this division shall be administered 856
on an annual basis. 857

(P) Intermittent employees appointed under section 124.30 of 858
the Revised Code are not eligible for the pay supplements provided 859
by this section. 860

Sec. 124.34. (A) The tenure of every officer or employee in 861
the classified service of the state and the counties, civil 862
service townships, cities, city health districts, general health 863
districts, and city school districts of the state, holding a 864
position under this chapter, shall be during good behavior and 865
efficient service. No officer or employee shall be reduced in pay 866
or position, fined, suspended, or removed, or have the officer's 867
or employee's longevity reduced or eliminated, except as provided 868
in section 124.32 of the Revised Code, and for incompetency, 869
inefficiency, dishonesty, drunkenness, immoral conduct, 870
insubordination, discourteous treatment of the public, neglect of 871
duty, violation of any policy or work rule of the officer's or 872
employee's appointing authority, violation of this chapter or the 873
rules of the director of administrative services or the 874
commission, any other failure of good behavior, any other acts of 875
misfeasance, malfeasance, or nonfeasance in office, or conviction 876
of a felony. The denial of a one-time pay supplement or a bonus to 877

an officer or employee is not a reduction in pay for purposes of 878
this section. 879

This section does not apply to any modifications or 880
reductions in pay authorized by section 124.392 of the Revised 881
Code. 882

An appointing authority may require an employee who is 883
suspended to report to work to serve the suspension. An employee 884
serving a suspension in this manner shall continue to be 885
compensated at the employee's regular rate of pay for hours 886
worked. The disciplinary action shall be recorded in the 887
employee's personnel file in the same manner as other disciplinary 888
actions and has the same effect as a suspension without pay for 889
the purpose of recording disciplinary actions. 890

A finding by the appropriate ethics commission, based upon a 891
preponderance of the evidence, that the facts alleged in a 892
complaint under section 102.06 of the Revised Code constitute a 893
violation of Chapter 102., section 2921.42, or section 2921.43 of 894
the Revised Code may constitute grounds for dismissal. Failure to 895
file a statement or falsely filing a statement required by section 896
102.02 of the Revised Code may also constitute grounds for 897
dismissal. The tenure of an employee in the career professional 898
service of the department of transportation is subject to section 899
5501.20 of the Revised Code. 900

Conviction of a felony is a separate basis for reducing in 901
pay or position, suspending, or removing an officer or employee, 902
even if the officer or employee has already been reduced in pay or 903
position, suspended, or removed for the same conduct that is the 904
basis of the felony. An officer or employee may not appeal to the 905
state personnel board of review or the commission any disciplinary 906
action taken by an appointing authority as a result of the 907
officer's or employee's conviction of a felony. If an officer or 908
employee removed under this section is reinstated as a result of 909

an appeal of the removal, any conviction of a felony that occurs 910
during the pendency of the appeal is a basis for further 911
disciplinary action under this section upon the officer's or 912
employee's reinstatement. 913

A person convicted of a felony immediately forfeits the 914
person's status as a classified employee in any public employment 915
on and after the date of the conviction for the felony. If an 916
officer or employee is removed under this section as a result of 917
being convicted of a felony or is subsequently convicted of a 918
felony that involves the same conduct that was the basis for the 919
removal, the officer or employee is barred from receiving any 920
compensation after the removal notwithstanding any modification or 921
disaffirmance of the removal, unless the conviction for the felony 922
is subsequently reversed or annulled. 923

Any person removed for conviction of a felony is entitled to 924
a cash payment for any accrued but unused sick, personal, and 925
vacation leave as authorized by law. If subsequently reemployed in 926
the public sector, the person shall qualify for and accrue these 927
forms of leave in the manner specified by law for a newly 928
appointed employee and shall not be credited with prior public 929
service for the purpose of receiving these forms of leave. 930

As used in this division, "felony" means any of the 931
following: 932

(1) A felony that is an offense of violence as defined in 933
section 2901.01 of the Revised Code; 934

(2) A felony that is a felony drug abuse offense as defined 935
in section 2925.01 of the Revised Code; 936

(3) A felony under the laws of this or any other state or the 937
United States that is a crime of moral turpitude; 938

(4) A felony involving dishonesty, fraud, or theft; 939

(5) A felony that is a violation of section 2921.05, 2921.32, 940
or 2921.42 of the Revised Code. 941

(B) In case of a reduction, a suspension of forty or more 942
work hours in the case of an employee exempt from the payment of 943
overtime compensation, a suspension of twenty-four or more work 944
hours in the case of an employee required to be paid overtime 945
compensation, a fine of forty or more hours' pay in the case of an 946
employee exempt from the payment of overtime compensation, a fine 947
of twenty-four or more hours' pay in the case of an employee 948
required to be paid overtime compensation, or removal, except for 949
the reduction or removal of a probationary employee, the 950
appointing authority shall serve the employee with a copy of the 951
order of reduction, fine, suspension, or removal, which order 952
shall state the reasons for the action. 953

Within ten days following the date on which the order is 954
served or, in the case of an employee in the career professional 955
service of the department of transportation, within ten days 956
following the filing of a removal order, the employee, except as 957
otherwise provided in this section, may file an appeal of the 958
order in writing with the state personnel board of review or the 959
commission. For purposes of this section, the date on which an 960
order is served is the date of hand delivery of the order or the 961
date of delivery of the order by certified United States mail, 962
whichever occurs first. If an appeal is filed, the board or 963
commission shall forthwith notify the appointing authority and 964
shall hear, or appoint a trial board to hear, the appeal within 965
thirty days from and after its filing with the board or 966
commission. The board, commission, or trial board may affirm, 967
disaffirm, or modify the judgment of the appointing authority. 968
However, in an appeal of a removal order based upon a violation of 969
a last chance agreement, the board, commission, or trial board may 970
only determine if the employee violated the agreement and thus 971

affirm or disaffirm the judgment of the appointing authority. 972

In cases of removal or reduction in pay for disciplinary 973
reasons, either the appointing authority or the officer or 974
employee may appeal from the decision of the state personnel board 975
of review or the commission, and any such appeal shall be to the 976
court of common pleas of the county in which the appointing 977
authority is located, or to the court of common pleas of Franklin 978
county, as provided by section 119.12 of the Revised Code. 979

(C) In the case of the suspension for any period of time, or 980
a fine, demotion, or removal, of a chief of police, a chief of a 981
fire department, or any member of the police or fire department of 982
a city or civil service township, who is in the classified civil 983
service, the appointing authority shall furnish the chief or 984
member with a copy of the order of suspension, fine, demotion, or 985
removal, which order shall state the reasons for the action. The 986
order shall be filed with the municipal or civil service township 987
civil service commission. Within ten days following the filing of 988
the order, the chief or member may file an appeal, in writing, 989
with the commission. If an appeal is filed, the commission shall 990
forthwith notify the appointing authority and shall hear, or 991
appoint a trial board to hear, the appeal within thirty days from 992
and after its filing with the commission, and it may affirm, 993
disaffirm, or modify the judgment of the appointing authority. An 994
appeal on questions of law and fact may be had from the decision 995
of the commission to the court of common pleas in the county in 996
which the city or civil service township is situated. The appeal 997
shall be taken within thirty days from the finding of the 998
commission. 999

(D) A violation of division (A)(7) of section 2907.03 of the 1000
Revised Code is grounds for termination of employment of a 1001
nonteaching employee under this section. 1002

(E) As used in this section, "last chance agreement" means an 1003

agreement signed by both an appointing authority and an officer or 1004
employee of the appointing authority that describes the type of 1005
behavior or circumstances that, if it occurs, will automatically 1006
lead to removal of the officer or employee without the right of 1007
appeal to the state personnel board of review or the appropriate 1008
commission. 1009

Sec. 124.385. (A) An employee is eligible for disability 1010
leave benefits under this section if the employee has completed 1011
one year of continuous state service immediately prior to the date 1012
of the disability and if any of the following applies: 1013

(1) The employee is a full-time permanent employee and is 1014
eligible for sick leave credit pursuant to division (B) of section 1015
124.382 of the Revised Code. 1016

(2) The employee is a part-time permanent employee who has 1017
worked at least fifteen hundred hours within the twelve-month 1018
period immediately preceding the date of disability and is 1019
eligible for sick leave credit under division (B) of section 1020
124.382 of the Revised Code. 1021

(3) The employee is a full-time permanent or part-time 1022
permanent employee, is on disability leave or leave of absence for 1023
medical reasons, and would be eligible for sick leave credit 1024
pursuant to division (B) of section 124.382 of the Revised Code 1025
except that the employee is in no pay status due to the employee's 1026
medical condition. 1027

(B) The director of administrative services, by rule adopted 1028
in accordance with Chapter 119. of the Revised Code, shall 1029
establish a disability leave program. The rule shall include, but 1030
shall not be limited to, the following: 1031

(1) Procedures to be followed for determining disability; 1032

(2) Provisions for the allowance of disability leave due to 1033

illness or injury;	1034
(3) Provisions for the continuation of service credit for employees granted disability leave, including service credit towards retirement, as provided by the applicable statute;	1035 1036 1037
(4) The establishment of a minimum level of benefit and of a waiting period before benefits begin;	1038 1039
(5) Provisions setting a maximum length of benefit and requiring that employees eligible to apply for disability retirement shall do so prior to completing the first six months of their period of disability. The director's rules shall indicate those employees required to apply for disability retirement. If an employee is approved to receive disability retirement, the employee shall receive the retirement benefit and a supplement payment that equals a percentage of the employee's base rate of pay and that, when added to the retirement benefit, equals no more than the percentage of pay received by employees after the first six months of disability. This supplemental payment shall not be considered earnable salary, compensation, or salary, and is not subject to contributions, under Chapter 145., 742., 3307., 3309., or 5505. of the Revised Code.	1040 1041 1042 1043 1044 1045 1046 1047 1048 1049 1050 1051 1052 1053
(6) Provisions that allow employees to utilize available sick leave, personal leave, <u>compensatory time</u> , or vacation leave balances to supplement the benefits payable under this section. The balances used to supplement the benefits, plus any amount contributed by the state as provided in division (D) of this section, shall be paid at the employee's base rate of pay in an amount sufficient to give employees up to one hundred per cent of pay for time on disability.	1054 1055 1056 1057 1058 1059 1060 1061
(7) Procedures for appealing denial of payment of a claim, including the following:	1062 1063
(a) A maximum of thirty days to file an appeal by the	1064

employee;	1065
(b) A maximum of fifteen days for the parties to select a third-party opinion pursuant to division (F) of this section, unless an extension is agreed to by the parties;	1066 1067 1068
(c) A maximum of thirty days for the third party to render an opinion.	1069 1070
(8) Provisions for approving leave of absence for medical reasons where an employee is in no pay status because the employee has used all the employee's sick leave, personal leave, vacation leave, and compensatory time;	1071 1072 1073 1074
(9) Provisions for precluding the payment of benefits if the injury for which the benefits are sought is covered by a workers' compensation plan;	1075 1076 1077
(10) Provisions for precluding the payment of benefits in order to ensure that benefits are provided in a consistent manner.	1078 1079
(C) Except as provided in division (B)(6) of this section, time off for an employee granted disability leave is not chargeable to any other leave granted by other sections of the Revised Code.	1080 1081 1082 1083
(D) While an employee is on an approved disability leave, the employer's and employee's share of health, life, and other insurance benefits shall be paid by the state, and the retirement contribution shall be paid as follows:	1084 1085 1086 1087
(1) The employer's share shall be paid by the state.	1088
(2) For the first three months, the employee's share shall be paid by the employee.	1089 1090
(3) After the first three months, the employee's share shall be paid by the state.	1091 1092
(E) The approval for disability leave shall be made by the director, upon recommendation by the appointing authority. The	1093 1094

director may delegate to any appointing authority the authority to 1095
approve disability benefits for a standard recovery period. 1096

(F) If a request for disability leave is denied based on a 1097
medical determination, the director shall obtain a medical opinion 1098
from a third party. The decision of the third party is binding. 1099

(G) The rule adopted by the director under division (B) of 1100
this section shall not deny disability leave benefits for an 1101
illness or injury to an employee who is a veteran of the United 1102
States armed forces because the employee contracted the illness or 1103
received the injury in the course of or as a result of military 1104
service and the illness or injury is or may be covered by a 1105
compensation plan administered by the United States department of 1106
veterans affairs. 1107

Sec. 124.392. (A) As used in this section, ~~"exempt:~~ 1108

(1) "Exempt employee" has the same meaning as in section 1109
124.152 of the Revised Code. 1110

(2) "Fiscal emergency" means a fiscal emergency declared by 1111
the governor under section 126.05 of the Revised Code. 1112

(B) The director of administrative services may establish a 1113
voluntary cost savings program for exempt employees. ~~The~~ 1114

(C) The director of administrative services shall establish a 1115
mandatory cost savings program applicable to exempt employees. 1116
Subject to division (C)(1) of this section, the program may 1117
include, but is not limited to, a loss of pay or loss of holiday 1118
pay as determined by the director. The program may be administered 1119
differently among exempt employees based on their classifications, 1120
appointment categories, appointing authorities, or other relevant 1121
distinctions. 1122

(1) Each full-time exempt employee shall participate in the 1123
program for a total of eighty hours of mandatory cost savings in 1124

both fiscal year 2010 and fiscal year 2011. Each part-time exempt 1125
employee shall participate in the program by not receiving holiday 1126
pay during both fiscal year 2010 and fiscal year 2011. Each 1127
employee of the secretary of state, auditor of state, treasurer of 1128
state, and attorney general shall participate in the program 1129
unless the secretary of state, auditor of state, treasurer of 1130
state, or attorney general decides to exempt the officer's 1131
employees from the program and so notifies the director of 1132
administrative services in writing on or before July 1, 2009. 1133

(2) After June 30, 2011, the director of administrative 1134
services, in consultation with the director of budget and 1135
management, may implement mandatory cost savings days applicable 1136
to exempt employees in the event of a fiscal emergency. Each 1137
employee of the secretary of state, auditor of state, treasurer of 1138
state, and attorney general shall participate in the mandatory 1139
cost savings days unless the secretary of state, auditor of state, 1140
treasurer of state, or attorney general decides to exempt the 1141
officer's employees from the mandatory cost savings days and so 1142
notifies the director of administrative services in the manner the 1143
director of administrative services prescribes by rule adopted 1144
under this section. 1145

(D) The director shall adopt rules in accordance with Chapter 1146
119. of the Revised Code to provide for the administration of the 1147
program mandatory cost savings program and days. 1148

(E) The cost savings fund is hereby created in the state 1149
treasury. Savings accrued through employee participation in the 1150
mandatory cost savings program and in mandatory cost savings days 1151
shall be allocated to the fund. The fund may be used to pay 1152
employees who participated in the mandatory cost savings program 1153
or in mandatory cost savings days. Any investment earnings of the 1154
fund shall be credited to the fund. 1155

Sec. 126.05. On or before the tenth day of each month, the 1156
director of budget and management shall furnish to the governor 1157
statements in such form as the governor requires showing the 1158
condition of the general revenue fund. The statements shall 1159
provide a summary of the status of appropriations to enable the 1160
governor to exercise and maintain effective supervision and 1161
control over the expenditures of the state. The director shall 1162
also furnish statements the governor requests showing the 1163
condition of any other fund. 1164

If the governor ascertains that the available revenue 1165
receipts and balances for the general revenue fund for the current 1166
fiscal year will in all probability be less than the 1167
appropriations for the year, ~~he~~ the governor shall issue such 1168
orders to the state agencies as will prevent their expenditures 1169
and incurred obligations from exceeding such revenue receipts and 1170
balances. 1171

If the governor ascertains that the available revenue 1172
receipts and balances for any fund other than the general revenue 1173
fund for the current fiscal year will in all probability be less 1174
than the appropriations for the year, ~~he~~ the governor may issue 1175
such orders to the state agencies as will prevent their 1176
expenditures and incurred obligations from exceeding such revenue 1177
receipts and balances. 1178

If the governor determines that the available revenue 1179
receipts and balances in any fund or across funds will likely be 1180
less than the appropriations for the year, the governor may 1181
declare a fiscal emergency and may issue such orders as necessary 1182
to the director of budget and management to reduce expenditures, 1183
or to the director of administrative services to implement 1184
personnel actions consistent therewith, including, but not limited 1185
to, mandatory cost savings days under section 124.392 of the 1186

Revised Code. 1187

As used in this section, "expenditures and incurred 1188
obligations" includes all moneys expended or obligated pursuant to 1189
appropriations by the general assembly that are calculated and 1190
distributed pursuant to a distribution formula in law. 1191

Sec. 2305.24. Any information, data, reports, or records made 1192
available to a quality assurance committee or utilization 1193
committee of a hospital or long-term care facility or of any 1194
not-for-profit health care corporation that is a member of the 1195
hospital or long-term care facility or of which the hospital or 1196
long-term care facility is a member are confidential and shall be 1197
used by the committee and the committee members only in the 1198
exercise of the proper functions of the committee. Any 1199
information, data, reports, or records made available to a 1200
utilization committee of a state or local medical society composed 1201
of doctors of medicine or doctors of osteopathic medicine are 1202
confidential and shall be used by the committee and the committee 1203
members only in the exercise of the proper functions of the 1204
committee. A right of action similar to that a patient may have 1205
against an attending physician for misuse of information, data, 1206
reports, or records arising out of the physician-patient 1207
relationship shall accrue against a member of a quality assurance 1208
committee or utilization committee for misuse of any information, 1209
data, reports, or records furnished to the committee by an 1210
attending physician. No physician, institution, hospital, or 1211
long-term care facility furnishing information, data, reports, or 1212
records to a committee with respect to any patient examined or 1213
treated by the physician or confined in the institution, hospital, 1214
or long-term care facility shall, by reason of the furnishing, be 1215
deemed liable in damages to any person, or be held to answer for 1216
betrayal of a professional confidence within the meaning and 1217
intent of section 4731.22 of the Revised Code. Information, data, 1218

or reports furnished to a utilization committee of a state or 1219
local medical society shall contain no name of any person involved 1220
therein. 1221

Any information, data, reports, or records made available to 1222
a quality assurance committee of the bureau of workers' 1223
compensation or the industrial commission that is responsible for 1224
reviewing the professional qualifications and the performance of 1225
providers conducting medical examinations or file reviews for the 1226
bureau or the commission are confidential and shall be used by the 1227
committee and the committee members only in the exercise of the 1228
proper functions of the committee. 1229

As used in this section, "utilization committee" is the 1230
committee established to administer a utilization review plan of a 1231
hospital, of a not-for-profit health care corporation which is a 1232
member of the hospital or of which the hospital is a member, or of 1233
a skilled nursing facility as provided in the "Health Insurance 1234
for the Aged Act," 79 Stat. 313 (1965), 42 U.S.C. 1395x(k). 1235

Sec. 2305.25. As used in this section and sections 2305.251 1236
to 2305.253 of the Revised Code: 1237

(A)(1) "Health care entity" means an entity, whether acting 1238
on its own behalf or on behalf of or in affiliation with other 1239
health care entities, that conducts as part of its regular 1240
business activities professional credentialing or quality review 1241
activities involving the competence of, professional conduct of, 1242
or quality of care provided by health care providers, including 1243
both individuals who provide health care and entities that provide 1244
health care. 1245

(2) "Health care entity" includes any entity described in 1246
division (A)(1) of this section, regardless of whether it is a 1247
government entity; for-profit or nonprofit corporation; limited 1248

liability company; partnership; professional corporation; state or 1249
local society composed of physicians, dentists, optometrists, 1250
psychologists, or pharmacists; or other health care organization. 1251

(B) "Health insuring corporation" means an entity that holds 1252
a certificate of authority under Chapter 1751. of the Revised 1253
Code. "Health insuring corporation" includes wholly owned 1254
subsidiaries of a health insuring corporation. 1255

(C) "Hospital" means either of the following: 1256

(1) An institution that has been registered or licensed by 1257
the department of health as a hospital; 1258

(2) An entity, other than an insurance company authorized to 1259
do business in this state, that owns, controls, or is affiliated 1260
with an institution that has been registered or licensed by the 1261
department of health as a hospital. 1262

(D) "Incident report or risk management report" means a 1263
report of an incident involving injury or potential injury to a 1264
patient as a result of patient care provided by health care 1265
providers, including both individuals who provide health care and 1266
entities that provide health care, that is prepared by or for the 1267
use of a peer review committee of a health care entity and is 1268
within the scope of the functions of that committee. 1269

(E)(1) "Peer review committee" means a utilization review 1270
committee, quality assessment committee, performance improvement 1271
committee, tissue committee, credentialing committee, or other 1272
committee that does either of the following: 1273

(a) Conducts professional credentialing or quality review 1274
activities involving the competence of, professional conduct of, 1275
or quality of care provided by health care providers, including 1276
both individuals who provide health care and entities that provide 1277
health care; 1278

(b) Conducts any other attendant hearing process initiated as a result of a peer review committee's recommendations or actions.	1279 1280
(2) "Peer review committee" includes all of the following:	1281
(a) A peer review committee of a hospital or long-term care facility or a peer review committee of a nonprofit health care corporation that is a member of the hospital or long-term care facility or of which the hospital or facility is a member;	1282 1283 1284 1285
(b) A peer review committee of a community mental health center;	1286 1287
(c) A board or committee of a hospital, a long-term care facility, or other health care entity when reviewing professional qualifications or activities of health care providers, including both individuals who provide health care and entities that provide health care;	1288 1289 1290 1291 1292
(d) A peer review committee, professional standards review committee, or arbitration committee of a state or local society composed of members who are in active practice as physicians, dentists, optometrists, psychologists, or pharmacists;	1293 1294 1295 1296
(e) A peer review committee of a health insuring corporation that has at least a two-thirds majority of member physicians in active practice and that conducts professional credentialing and quality review activities involving the competence or professional conduct of health care providers that adversely affects or could adversely affect the health or welfare of any patient;	1297 1298 1299 1300 1301 1302
(f) A peer review committee of a health insuring corporation that has at least a two-thirds majority of member physicians in active practice and that conducts professional credentialing and quality review activities involving the competence or professional conduct of a health care facility that has contracted with the health insuring corporation to provide health care services to enrollees, which conduct adversely affects, or could adversely	1303 1304 1305 1306 1307 1308 1309

affect, the health or welfare of any patient; 1310

(g) A peer review committee of a sickness and accident 1311
insurer that has at least a two-thirds majority of physicians in 1312
active practice and that conducts professional credentialing and 1313
quality review activities involving the competence or professional 1314
conduct of health care providers that adversely affects or could 1315
adversely affect the health or welfare of any patient; 1316

(h) A peer review committee of a sickness and accident 1317
insurer that has at least a two-thirds majority of physicians in 1318
active practice and that conducts professional credentialing and 1319
quality review activities involving the competence or professional 1320
conduct of a health care facility that has contracted with the 1321
insurer to provide health care services to insureds, which conduct 1322
adversely affects, or could adversely affect, the health or 1323
welfare of any patient; 1324

(i) A peer review committee of any insurer authorized under 1325
Title XXXIX of the Revised Code to do the business of medical 1326
professional liability insurance in this state that conducts 1327
professional quality review activities involving the competence or 1328
professional conduct of health care providers that adversely 1329
affects or could affect the health or welfare of any patient; 1330

(j) A peer review committee of the bureau of workers' 1331
compensation or the industrial commission that is responsible for 1332
reviewing the professional qualifications and the performance of 1333
providers conducting medical examinations or file reviews for the 1334
bureau or the commission; 1335

(k) Any other peer review committee of a health care entity. 1336

(F) "Physician" means an individual authorized to practice 1337
medicine and surgery, osteopathic medicine and surgery, or 1338
podiatric medicine and surgery. 1339

(G) "Sickness and accident insurer" means an entity 1340

authorized under Title XXXIX of the Revised Code to do the 1341
business of sickness and accident insurance in this state. 1342

(H) "Tort action" means a civil action for damages for 1343
injury, death, or loss to a patient of a health care entity. "Tort 1344
action" includes a product liability claim, as defined in section 1345
2307.71 of the Revised Code, and an asbestos claim, as defined in 1346
section 2307.91 of the Revised Code, but does not include a civil 1347
action for a breach of contract or another agreement between 1348
persons. 1349

Sec. 4121.04. (A) There is hereby created the industrial 1350
commission nominating council consisting of ~~four~~ five employer 1351
representatives ~~and~~ four labor representatives, one 1352
representative from the Ohio association for justice, and two 1353
members of the public, each of a different political party, who 1354
are appointed by the governor. The nominating council shall make 1355
recommendations to the governor for the appointment of members to 1356
the industrial commission as provided in section 4121.02 of the 1357
Revised Code. 1358

(B) ~~The governor shall make initial appointments to the~~ 1359
~~nominating council within fourteen days after October 20, 1993, by~~ 1360
~~appointing two persons, each of a different political party, as~~ 1361
~~public representatives and the four employer and four employee~~ 1362
~~representatives.~~ In making the appointments, the governor shall 1363
select the members representing employees from a list of eight 1364
names submitted by the Ohio federation of labor, the member 1365
representing the Ohio association for justice from a list of two 1366
names submitted by the Ohio association of justice, and the 1367
members representing employers from a list of ~~eight~~ ten names 1368
submitted jointly by the ~~major statewide~~ Ohio industry 1369
organizations ~~representing self-insuring employers, manufacturers,~~ 1370
~~retail merchants, and chambers of commerce, provided that such~~ 1371

~~organizations have been in existence since prior to November 3,~~ 1372
~~1974, and further provided that from the list submitted from the~~ 1373
~~organizations representing industry, the.~~ The governor shall 1374
appoint at least one member from each of the Ohio industry 1375
organizations ~~which represent self-insuring employers,~~ 1376
~~manufacturers, retail merchants, and chambers of commerce.~~ Of the 1377
list submitted by the Ohio industry organizations ~~representing~~ 1378
~~industry,~~ two individuals from each of the Ohio industry 1379
organizations ~~which represent self-insuring employers,~~ 1380
~~manufacturers, retail merchants, and chambers of commerce~~ shall be 1381
included in the list. ~~One employer and employee representative~~ 1382
~~shall serve an initial term of office ending October 20, 1994, one~~ 1383
~~employer and one employee representative shall serve an initial~~ 1384
~~term of office ending October 20, 1995, one employer and one~~ 1385
~~employee representative shall serve an initial term of office~~ 1386
~~ending October 20, 1996, and one employer and one employee~~ 1387
~~representative shall serve an initial term of office ending four~~ 1388
~~years after the effective date of this section. Thereafter, terms~~ 1389
Terms of office of employer and employee representatives are for 1390
four years, each term ending on the same day as the date of their 1391
original appointment. The Ohio federation of labor for a vacancy 1392
of an employee representative on the council, and the Ohio 1393
industry organizations, for a vacancy of an employer 1394
representative on the council, shall submit to the governor a list 1395
containing two names for appointment and the governor shall 1396
appoint an individual from the list to fill the vacancy provided 1397
that the list submitted to fill an industry representative vacancy 1398
shall contain the names of individuals who represent the 1399
organizations for which a vacancy has occurred. One public member 1400
shall represent the interests of small business ~~and shall serve an~~ 1401
~~initial term of office ending October 20, 1994, and the remaining~~ 1402
~~public member shall serve a term of office ending October 20,~~ 1403
~~1995. Thereafter, public~~ Public members shall serve for a term of 1404

two years, each term ending on the same day as the date of their original appointment. The governor shall fill a vacancy occurring on the nominating council for a public member in the same manner as for the original appointment but only for the unexpired part of the term. As used in this division, "small business" means any manufacturing establishment employing five hundred or fewer employees or any retail, or other service establishment employing one hundred or fewer employees. The representative from the Ohio association for justice shall serve for a term of four years, each term ending on the twentieth day of October of the appropriate year. The governor shall fill a vacancy occurring on the nominating council for the representative from the Ohio association for justice in the same manner as the original appointment. In the event that an appointment to the council does not conform to this division, such organizations may challenge the appointment pursuant to division (E) of this section, provided that the industry organizations only may challenge the appointment of an industry representative, and further provided that the labor organization only may challenge the appointment of a labor representative.

~~(C) At the time of the initial appointment of the members to the nominating council, the governor shall immediately call a meeting of the nominating council in order to make the initial recommendations to the governor for the appointment of industrial commission members under section 4121.02 of the Revised Code. At that meeting, the members shall elect a chairperson and such other officers as it determines necessary. Thereafter, the~~ The nominating council annually shall meet and elect such officers as it determines appropriate and shall meet at such other times as it determines appropriate in order to make recommendations to the governor for the appointment of industrial commission members pursuant to section 4121.02 of the Revised Code.

(D) Members of the nominating council shall be paid fifty 1437
dollars per day and their actual and necessary expenses while 1438
engaged in the performance of their duties as members of the 1439
nominating council, which the industrial commission shall pay from 1440
funds which the industrial commission uses to pay its operating 1441
expenses. 1442

(E) An association generally recognized as representing the 1443
interests of labor or industry may file, within fifteen days after 1444
the governor's appointment of a member, a challenge in the common 1445
pleas court of Franklin county asserting that a representative 1446
named to represent its interests is not representative of the 1447
interests the appointee has been appointed to represent. An 1448
appointee whose appointment has been challenged shall not receive 1449
any pay nor serve on the nominating council until the court, 1450
acting without a jury and following the expedited timetable 1451
provided for hearing on restraining orders in Civil Rule 65, makes 1452
a determination that the appointee is a true and qualified 1453
representative of the group for which the appointee is selected 1454
and possesses all of the qualifications. 1455

A challenged appointee may request the attorney general to 1456
represent the appointee in an action brought under this division 1457
and the attorney general shall provide the appointee with 1458
competent representation without charge. 1459

(F) As used in this section, "Ohio industry organizations" 1460
means all of the following organizations: 1461

(1) The Ohio self-insurers' association; 1462

(2) The Ohio manufacturers' association; 1463

(3) The Ohio council of retail merchants; 1464

(4) The Ohio chamber of commerce; 1465

(5) The national federation of independent business. 1466

Sec. 4123.511. (A) Within seven days after receipt of any 1467
claim under this chapter, the bureau of workers' compensation 1468
shall notify the claimant and the employer of the claimant of the 1469
receipt of the claim and of the facts alleged therein. If the 1470
bureau receives from a person other than the claimant written or 1471
facsimile information or information communicated verbally over 1472
the telephone indicating that an injury or occupational disease 1473
has occurred or been contracted which may be compensable under 1474
this chapter, the bureau shall notify the employee and the 1475
employer of the information. If the information is provided 1476
verbally over the telephone, the person providing the information 1477
shall provide written verification of the information to the 1478
bureau according to division (E) of section 4123.84 of the Revised 1479
Code. The receipt of the information in writing or facsimile, or 1480
if initially by telephone, the subsequent written verification, 1481
and the notice by the bureau shall be considered an application 1482
for compensation under section 4123.84 or 4123.85 of the Revised 1483
Code, provided that the conditions of division (E) of section 1484
4123.84 of the Revised Code apply to information provided verbally 1485
over the telephone. Upon receipt of a claim, the bureau shall 1486
advise the claimant of the claim number assigned and the 1487
claimant's right to representation in the processing of a claim or 1488
to elect no representation. If the bureau determines that a claim 1489
is determined to be a compensable lost-time claim, the bureau 1490
shall notify the claimant and the employer of the availability of 1491
rehabilitation services. No bureau or industrial commission 1492
employee shall directly or indirectly convey any information in 1493
derogation of this right. This section shall in no way abrogate 1494
the bureau's responsibility to aid and assist a claimant in the 1495
filing of a claim and to advise the claimant of the claimant's 1496
rights under the law. 1497

The administrator of workers' compensation shall assign all 1498

claims and investigations to the bureau service office from which 1499
investigation and determination may be made most expeditiously. 1500

The bureau shall investigate the facts concerning an injury 1501
or occupational disease and ascertain such facts in whatever 1502
manner is most appropriate and may obtain statements of the 1503
employee, employer, attending physician, and witnesses in whatever 1504
manner is most appropriate. 1505

The administrator, with the advice and consent of the bureau 1506
of workers' compensation board of directors, may adopt rules that 1507
identify specified medical conditions that have a historical 1508
record of being allowed whenever included in a claim. The 1509
administrator may grant immediate allowance of any medical 1510
condition identified in those rules upon the filing of a claim 1511
involving that medical condition and may make immediate payment of 1512
medical bills for any medical condition identified in those rules 1513
that is included in a claim. If an employer contests the allowance 1514
of a claim involving any medical condition identified in those 1515
rules, and the claim is disallowed, payment for the medical 1516
condition included in that claim shall be charged to and paid from 1517
the surplus fund created under section 4123.34 of the Revised 1518
Code. 1519

(B)(1) Except as provided in division (B)(2) of this section, 1520
in claims other than those in which the employer is a 1521
self-insuring employer, if the administrator determines under 1522
division (A) of this section that a claimant is or is not entitled 1523
to an award of compensation or benefits, the administrator shall 1524
issue an order no later than twenty-eight days after the sending 1525
of the notice under division (A) of this section, granting or 1526
denying the payment of the compensation or benefits, or both as is 1527
appropriate to the claimant. Notwithstanding the time limitation 1528
specified in this division for the issuance of an order, if a 1529
medical examination of the claimant is required by statute, the 1530

administrator promptly shall schedule the claimant for that 1531
examination and shall issue an order no later than twenty-eight 1532
days after receipt of the report of the examination. The 1533
administrator shall notify the claimant and the employer of the 1534
claimant and their respective representatives in writing of the 1535
nature of the order and the amounts of compensation and benefit 1536
payments involved. The employer or claimant may appeal the order 1537
pursuant to division (C) of this section within fourteen days 1538
after the date of the receipt of the order. The employer and 1539
claimant may waive, in writing, their rights to an appeal under 1540
this division. 1541

(2) Notwithstanding the time limitation specified in division 1542
(B)(1) of this section for the issuance of an order, if the 1543
employer certifies a claim for payment of compensation or 1544
benefits, or both, to a claimant, and the administrator has 1545
completed the investigation of the claim, the payment of benefits 1546
or compensation, or both, as is appropriate, shall commence upon 1547
the later of the date of the certification or completion of the 1548
investigation and issuance of the order by the administrator, 1549
provided that the administrator shall issue the order no later 1550
than the time limitation specified in division (B)(1) of this 1551
section. 1552

(3) If an appeal is made under division (B)(1) or (2) of this 1553
section, the administrator shall forward the claim file to the 1554
appropriate district hearing officer within seven days of the 1555
appeal. In contested claims other than state fund claims, the 1556
administrator shall forward the claim within seven days of the 1557
administrator's receipt of the claim to the industrial commission, 1558
which shall refer the claim to an appropriate district hearing 1559
officer for a hearing in accordance with division (C) of this 1560
section. 1561

(C) If an employer or claimant timely appeals the order of 1562

the administrator issued under division (B) of this section or in 1563
the case of other contested claims other than state fund claims, 1564
the commission shall refer the claim to an appropriate district 1565
hearing officer according to rules the commission adopts under 1566
section 4121.36 of the Revised Code. The district hearing officer 1567
shall notify the parties and their respective representatives of 1568
the time and place of the hearing. 1569

The district hearing officer shall hold a hearing on a 1570
disputed issue or claim within forty-five days after the filing of 1571
the appeal under this division and issue a decision within seven 1572
days after holding the hearing. The district hearing officer shall 1573
notify the parties and their respective representatives in writing 1574
of the order. Any party may appeal an order issued under this 1575
division pursuant to division (D) of this section within fourteen 1576
days after receipt of the order under this division. 1577

(D) Upon the timely filing of an appeal of the order of the 1578
district hearing officer issued under division (C) of this 1579
section, the commission shall refer the claim file to an 1580
appropriate staff hearing officer according to its rules adopted 1581
under section 4121.36 of the Revised Code. The staff hearing 1582
officer shall hold a hearing within forty-five days after the 1583
filing of an appeal under this division and issue a decision 1584
within seven days after holding the hearing under this division. 1585
The staff hearing officer shall notify the parties and their 1586
respective representatives in writing of the staff hearing 1587
officer's order. Any party may appeal an order issued under this 1588
division pursuant to division (E) of this section within fourteen 1589
days after receipt of the order under this division. 1590

(E) Upon the filing of a timely appeal of the order of the 1591
staff hearing officer issued under division (D) of this section, 1592
the commission or a designated staff hearing officer, on behalf of 1593
the commission, shall determine whether the commission will hear 1594

the appeal. If the commission or the designated staff hearing officer decides to hear the appeal, the commission or the designated staff hearing officer shall notify the parties and their respective representatives in writing of the time and place of the hearing. The commission shall hold the hearing within forty-five days after the filing of the notice of appeal and, within seven days after the conclusion of the hearing, the commission shall issue its order affirming, modifying, or reversing the order issued under division (D) of this section. The commission shall notify the parties and their respective representatives in writing of the order. If the commission or the designated staff hearing officer determines not to hear the appeal, within fourteen days after the ~~filing of the notice of appeal~~ expiration of the period in which an appeal of the order of the staff hearing officer may be filed as provided in division (D) of this section, the commission or the designated staff hearing officer shall issue an order to that effect and notify the parties and their respective representatives in writing of that order.

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

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

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

(1) The parties shall proceed promptly and without 1627
continuances except for good cause; 1628

(2) The parties, in good faith, shall engage in the free 1629
exchange of information relevant to the claim prior to the conduct 1630
of a hearing according to the rules the commission adopts under 1631
section 4121.36 of the Revised Code; 1632

(3) The administrator is a party and may appear and 1633
participate at all administrative proceedings on behalf of the 1634
state insurance fund. However, in cases in which the employer is 1635
represented, the administrator shall neither present arguments nor 1636
introduce testimony that is cumulative to that presented or 1637
introduced by the employer or the employer's representative. The 1638
administrator may file an appeal under this section on behalf of 1639
the state insurance fund; however, except in cases arising under 1640
section 4123.343 of the Revised Code, the administrator only may 1641
appeal questions of law or issues of fraud when the employer 1642
appears in person or by representative. 1643

(H) Except as provided in section 4121.63 of the Revised Code 1644
and division (K) of this section, payments of compensation to a 1645
claimant or on behalf of a claimant as a result of any order 1646
issued under this chapter shall commence upon the earlier of the 1647
following: 1648

(1) Fourteen days after the date the administrator issues an 1649
order under division (B) of this section, unless that order is 1650
appealed; 1651

(2) The date when the employer has waived the right to appeal 1652
a decision issued under division (B) of this section; 1653

(3) If no appeal of an order has been filed under this 1654
section or to a court under section 4123.512 of the Revised Code, 1655
the expiration of the time limitations for the filing of an appeal 1656
of an order; 1657

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

(I) Payments of medical benefits payable under this chapter or Chapter 4121., 4127., or 4131. of the Revised Code shall commence upon the earlier of the following:

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

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

(J) The administrator shall charge the compensation payments made in accordance with division (H) of this section or medical benefits payments made in accordance with division (I) of this section to an employer's experience immediately after the employer has exhausted the employer's administrative appeals as provided in this section or has waived the employer's right to an administrative appeal under division (B) of this section, subject to the adjustment specified in division (H) of section 4123.512 of the Revised Code.

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

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

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

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

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

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

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

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

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

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

As used in this division:

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

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

Section 102. That existing sections 124.15, 124.18, 124.181, 124.34, 124.385, 124.392, 126.05, 2305.24, 2305.25, 4121.04, and 4123.511 of the Revised Code are hereby repealed.

Section 201. All items in this section are hereby

appropriated out of any moneys in the state treasury to the credit 1750
of the designated fund. For all appropriations made in this 1751
section, those in the first column are for fiscal year 2010, and 1752
those in the second column are for fiscal year 2011. 1753

Appropriations 1754

FND AI	AI TITLE		FY 2010		FY 2011	
	OIC INDUSTRIAL COMMISSION					1756
	Workers' Compensation Fund Group					1757
5W30 845321	Operating Expenses	\$	50,838,924	\$	52,838,924	1758
5W30 845402	Rent - William Green	\$	6,149,960	\$	6,011,960	1759
	Building					
5W30 845410	Attorney General	\$	3,793,650	\$	3,793,650	1760
	Payments					
	TOTAL WCF Workers' Compensation					1761
	Fund Group	\$	60,782,534	\$	62,644,534	1762
	TOTAL ALL BUDGET FUND GROUPS	\$	60,782,534	\$	62,644,534	1763

RENT - WILLIAM GREEN BUILDING 1764

The foregoing appropriation item 845402, Rent - William Green 1765
Building, shall be used for rent and operating expenses for the 1766
space occupied by the Industrial Commission in the William Green 1767
Building. 1768

Section 210. Nothing in this act shall affect the term of any 1769
member of the Industrial Commission Nominating Council serving on 1770
the effective date of this section. 1771

The Governor shall appoint to the Industrial Commission 1772
Nominating Council a person to serve as a member who represents 1773
employers and a person to serve as a representative from the Ohio 1774
Association for Justice not later than fourteen days after the 1775
effective date of this section, and those members shall take 1776
office not later than ninety days after the effective date of this 1777
section. The Governor shall choose the employer representative 1778

from a list of two names selected by the National Federation of 1779
Independent Business and shall appoint that employer 1780
representative to a term ending October 20, 2013. The Governor 1781
shall appoint the representative from the Ohio Association for 1782
Justice to a term ending October 20, 2010. 1783

Except as otherwise provided in this section, the 1784
appointments made by the Governor pursuant to this section shall 1785
comply with section 4121.04 of the Revised Code, as amended by 1786
this act. 1787

Section 310. Within the limits set forth in this act, the 1788
Director of Budget and Management shall establish accounts 1789
indicating the source and amount of funds for each appropriation 1790
made in this act, and shall determine the form and manner in which 1791
appropriation accounts shall be maintained. 1792

Section 315. Except as provided in divisions (C) and (D) of 1793
this section, there is hereby appropriated for the period July 1, 1794
2009, through July 7, 2009, to each agency, board, commission, 1795
department, office, authority, or other organization for which an 1796
appropriation was made by the 127th General Assembly, out of money 1797
in the state treasury to the credit of the respective funds of the 1798
state from which appropriations were made for the 2009 fiscal 1799
year, for each specific item for which an appropriation was made 1800
by the 127th General Assembly, taking into account Controlling 1801
Board actions and executive budget reductions, an amount equal to 1802
the following: 1803

(A) For General Revenue Fund appropriation items, seventy per 1804
cent of one fifty-second of each item's adjusted spending levels 1805
for the 2009 fiscal year as adjusted by all budget directives 1806
issued by the Office of Budget and Management pursuant to 1807
Executive Order 2008-01S. Where additional amounts are necessary 1808

to pay the wages, benefits, and other payroll related expenses of 1809
state employees, those additional amounts are hereby appropriated. 1810

(B) For federal special revenue, state special revenue, or 1811
proprietary appropriation items, one hundred per cent of one 1812
fifty-second of each item's adjusted spending levels for the 2009 1813
fiscal year as adjusted by all budget directives issued by the 1814
Office of Budget and Management pursuant to Executive Order 1815
2008-01S. 1816

(C) It is expressly provided as follows: 1817

(1) There is hereby appropriated from the money in the state 1818
treasury an amount equal to one hundred per cent of spending 1819
levels equal to the second foundation payment made in June of 2009 1820
for appropriation item 200550, Foundation Funding. 1821

(2) There is hereby appropriated from the money in the state 1822
treasury an amount equal to one-twelfth of spending levels for the 1823
2009 fiscal year for appropriation item 235501, State Share of 1824
Instruction. 1825

(3) There is hereby appropriated to those agencies mentioned 1826
in Section 420 of this act those moneys received from the federal 1827
government pursuant to the American Reinvestment and Recovery Act. 1828

(4) There is hereby appropriated those amounts necessary for 1829
expenses incurred in appropriation item 600525 for Medicaid. Rates 1830
reimbursed for providers for the period from July 1, 2009, through 1831
July 7, 2009, shall be the same as rates on June 29, 2009. 1832

(5) No money is appropriated for programs or agencies that 1833
were terminated by action of law, other than the expiration of an 1834
appropriation item, prior to June 30, 2009. 1835

(6) No money shall be spent by any state agency for any 1836
program that is new or to the extent it has been expanded other 1837
than by operation of law. 1838

(7) Specific appropriations are made elsewhere in this act 1839
for the purpose of paying debt service and financing costs on 1840
bonds or notes of the state issued under the Ohio Constitution and 1841
acts of the General Assembly. If it is determined that additional 1842
appropriations are necessary for this purpose, such amounts are 1843
hereby appropriated. 1844

(8) No money is appropriated for any purpose for which 1845
appropriations are made elsewhere in this act. 1846

(9) No money is appropriated for capital purposes other than 1847
by reappropriation of unexpended balances of existing 1848
appropriations. 1849

(10) No money is appropriated for purposes that have full 1850
fiscal year 2010 appropriations by another act of the General 1851
Assembly. 1852

(D) There is hereby appropriated for the period July 1, 2009, 1853
through July 7, 2009, to the legislative and judicial branches and 1854
their respective agencies seventy per cent of one-fifty second of 1855
those agencies' adjusted spending levels for the 2009 fiscal year 1856
as adjusted by all budget directives issued by the Office of 1857
Budget and Management pursuant to the Executive Order 2008-01S. 1858

The Director of Budget and Management shall make any 1859
determinations necessary to decide which provision applies from 1860
this section. All appropriations contained in this act, except for 1861
appropriation item 911401, Emergency Purposes/Contingencies and 1862
appropriation item 911412, OBM-Uneven Cash Distribution, shall be 1863
cumulative with any subsequent appropriation act of the 128th 1864
General Assembly, and the Director of Budget and Management shall 1865
account for expenditures from appropriations contained in this act 1866
accordingly. 1867

Section 320. There is hereby appropriated for the fiscal year 1868

2010-2011 biennium, out of money in the state treasury to the 1869
credit of the General Revenue Fund, the following sums: 1870

Appropriations

CEB CONTROLLING BOARD 1871

General Revenue Fund 1872

GRF 911401 Emergency \$ 20,000,000 1873

Purposes/Contingencies

GRF 911412 OBM-Uneven Cash Distribution \$ 250,000,000 1874

TOTAL GRF General Revenue Fund \$ 270,000,000 1875

TOTAL ALL BUDGET FUND GROUPS \$ 270,000,000 1876

EMERGENCY PURPOSES/CONTINGENCIES AND OBM-UNEVEN CASH 1877

DISTRIBUTION 1878

The foregoing appropriation item 911401, Emergency 1879
Purposes/Contingencies, may be transferred by the Controlling 1880
Board to any agency, board, commission, department, office, 1881
authority, or other organization that urgently requires funds in 1882
excess of those appropriated in Section 315 of this act because of 1883
cash flow, seasonal, contractual obligation, or other special 1884
factors. 1885

The foregoing appropriation item 911412, OBM-Uneven Cash 1886
Distribution, may be transferred by the Director of Budget and 1887
Management to any agency, board, commission, department, office, 1888
authority, or other organization when the Director determines that 1889
because of cash flow, seasonal, contractual obligation, or other 1890
special factors requiring a higher disbursement, the specific 1891
appropriations made to the agency, board, commission, department, 1892
office, authority, or other organization are inadequate to carry 1893
out the purpose for which the specific appropriations are made. 1894

For the same purposes as the preceding paragraph there is 1895
hereby appropriated up to \$200,000,000 from funds other than the 1896
General Revenue Fund for use by the Director of Budget and 1897

Management for Uneven Cash Distributions for non-GRF appropriation 1898
items. 1899

When transfers are made from either appropriation item 1900
911401, Emergency Purposes/Contingencies, or 911412, OBM-Uneven 1901
Cash Distribution, to other appropriation items, the 1902
appropriations to the affected items shall be increased by any 1903
estimated amount of federal reimbursement that will be received. 1904
Such additional amounts are hereby appropriated. 1905

Section 325. For the period July 1, 2009, through June 30, 1906
2011, there is hereby appropriated from the General Revenue Fund, 1907
Liquor Control Fund, and any other fund designated by or pursuant 1908
to applicable proceedings authorizing the issuance of bonds, 1909
notes, or other obligations of the state issued pursuant to the 1910
Ohio Constitution and acts of the General Assembly, amounts 1911
necessary to fully and timely pay debt service and financing costs 1912
on those bonds, notes, or other obligations. 1913

Section 330. There is hereby appropriated necessary amounts 1914
determined by the Director of Budget and Management out of money 1915
in the state treasury to the following appropriation items for the 1916
fiscal year ending June 30, 2010, for the purposes of 1917
administering the following employee benefits program in 1918
accordance with law. 1919

PAY EMPLOYEE BENEFITS FUNDS 1920

Accrued Leave Liability Fund Group 1921

8060 995666 Accrued Leave Fund 1922

8070 995667 Disability Fund 1923

Agency Fund Group 1924

1240 995673 Payroll Deductions 1925

8080 995668 State Employee Health Benefit Fund 1926

8090 995669 Dependent Care Spending Account 1927

8100	995670	Life Insurance Investment Fund	1928
8110	995671	Parental Leave Benefit Fund	1929
8130	995672	Health Care Spending Account	1930
8140	995674	Cost Savings Day Fund	1931

Except for the Cost Savings Day Fund described and 1932
appropriated below, the foregoing funds shall be used consistent 1933
with the purposes enumerated in Am. Sub. H.B. 119 of the 127th 1934
General Assembly. 1935

There is hereby appropriated the amounts determined necessary 1936
by the Director of Budget and Management during the fiscal year 1937
ending June 30, 2010, for appropriation item 995674, Cost Savings 1938
Day Fund, which shall be used by the Director in accordance with 1939
the provisions of division (E) of section 124.392 of the Revised 1940
Code to pay employees who participated in a mandatory cost savings 1941
program, or to reimburse employees who did not fully participate 1942
in a mandatory cost savings program by the close of each fiscal 1943
year. Notwithstanding any provision of law to the contrary, in 1944
fiscal year 2010 the Director may transfer agency savings achieved 1945
from the use of a mandatory cost savings program to the General 1946
Revenue Fund or any other fund as deemed necessary by the 1947
Director. The Director may make temporary cash transfers from the 1948
General Revenue Fund to ensure sufficient balances in the Cost 1949
Savings Fund and may replenish the General Revenue Fund for such 1950
transfers. 1951

Section 335. There is hereby appropriated necessary amounts 1952
determined by the Director of Budget and Management out of money 1953
in the state treasury to the following appropriation items during 1954
the fiscal year ending June 30, 2010, for the purposes of 1955
administering and distributing revenue distribution funds in 1956
accordance with law. 1957

REVENUE DISTRIBUTION FUNDS 1958

Volunteer Firefighters' Dependents Fund			1959
7085	800985	Volunteer Firemen's Dependents Fund	1960
Agency Fund Group			1961
4P80	001698	Cash Management Improvement Fund	1962
6080	001699	Investment Earnings	1963
7062	110962	Resort Area Excise Tax	1964
7063	110963	Permissive Tax Distribution	1965
7067	110967	School District Income Tax	1966
Holding Account Redistribution			1967
R045	110617	International Fuel Tax Distribution	1968
Revenue Distribution Fund Group			1969
7049	038900	Indigent Drivers Alcohol Treatment	1970
7050	762900	International Registration Plan Distribution	1971
7051	762901	Auto Registration Distribution	1972
7054	110954	Local Government Property Tax Replacement - Utility	1973
7060	110960	Gasoline Excise Tax Fund	1974
7065	110965	Public Library Fund	1975
7066	800966	Undivided Liquor Permits	1976
7068	110968	State and Local Government Highway Distribution	1977
7069	110969	Local Government Fund	1978
7081	110981	Local Government Property Tax Replacement-Business	1979
7082	110982	Horse Racing Tax	1980
7083	700900	Ohio Fairs Fund	1981
GENERAL REVENUE FUND TRANSFERS TO LOCAL GOVERNMENT PROPERTY			1982
TAX REPLACEMENT FUND (FUND 7081)			1983
Notwithstanding any provision of law to the contrary, in			1984
fiscal year 2010, the Director of Budget and Management may			1985
transfer from the General Revenue Fund to the Local Government			1986

Property Tax Replacement Fund - Business (Fund 7081) in the 1987
Revenue Distribution Fund, those amounts necessary to reimburse 1988
local taxing units under section 5751.22 of the Revised Code. 1989
Also, in fiscal year 2010, the Director of Budget and Management 1990
may make temporary transfers from the General Revenue Fund to 1991
ensure sufficient balances in the Local Government Property Tax 1992
Replacement Fund - Business (Fund 7081) and to replenish the 1993
General Revenue Fund for such transfers. 1994

Section 340. TRANSFERS FROM THE BUDGET STABILIZATION FUND 1995

Notwithstanding any provision of law to the contrary, the 1996
Director of Budget and Management, in fiscal year 2009, may 1997
transfer cash from the Budget Stabilization Fund to the General 1998
Revenue Fund. The transferred funds are to be used to help balance 1999
General Revenue Fund revenues with General Revenue Fund current 2000
expenses in fiscal year 2009. Before any such transfer, the 2001
Director shall notify the Governor, the Speaker of the House of 2002
Representatives, the President of the Senate, and the Minority 2003
Leaders of the House of Representatives and the Senate of the date 2004
and amount of the transfer and the cash balance remaining in the 2005
Budget Stabilization Fund. 2006

Section 350. EXPENDITURES AND APPROPRIATION INCREASES 2007

APPROVED BY THE CONTROLLING BOARD 2008

Any money that the Controlling Board approves for expenditure 2009
and any increase in appropriations that the Controlling Board 2010
approves pursuant to section 127.14, 131.35, or 131.39 of the 2011
Revised Code or any other provision of law is appropriated for the 2012
period ending June 30, 2011. 2013

Section 360. PERSONAL SERVICE EXPENSES 2014

Unless otherwise prohibited by law, any appropriation from 2015

which personal service expenses are paid shall bear the employer's 2016
share of public employees' retirement, workers' compensation, 2017
disabled workers' relief, and all group insurance programs; the 2018
costs of centralized accounting, centralized payroll processing, 2019
and related personnel reports and services; the cost of the Office 2020
of Collective Bargaining; the cost of the Personnel Board of 2021
Review; the cost of the Employee Assistance Program; the cost of 2022
the affirmative action and equal employment opportunity programs 2023
administered by the Department of Administrative Services; the 2024
costs of interagency information management infrastructure; and 2025
the cost of administering the state employee merit system as 2026
required by section 124.07 of the Revised Code. These costs shall 2027
be determined in conformity with the appropriate sections of law 2028
and paid in accordance with procedures specified by the Office of 2029
Budget and Management. Expenditures from appropriation item 2030
070601, Public Audit Expense - Local Government, may be exempted 2031
from the requirements of this section. 2032

Section 365. REISSUANCE OF VOIDED WARRANTS 2033

In order to provide funds for the reissuance of voided 2034
warrants pursuant to section 126.37 of the Revised Code, there is 2035
appropriated, out of money in the state treasury from the fund 2036
credited as provided in section 126.37 of the Revised Code, that 2037
amount sufficient to pay such warrants when approved by the Office 2038
of Budget and Management. 2039

Section 370. LEASE PAYMENTS TO OPFC, OBA, AND TREASURER OF 2040
STATE 2041

Certain appropriations are in this act for the purpose of 2042
making lease rental payments pursuant to leases and agreements 2043
relating to bonds or notes issued under Section 2i of Article 2044
VIII, Ohio Constitution, and Chapter 152. of the Revised Code by 2045

the Ohio Building Authority or the Treasurer of State or, 2046
previously, by the Ohio Public Facilities Commission, pursuant to 2047
the Ohio Constitution and acts of the General Assembly. If it is 2048
determined that additional amounts are necessary for this purpose, 2049
such amounts are hereby appropriated. 2050

Section 375. AUTHORIZATION FOR TREASURER OF STATE AND OBM TO 2051
EFFECTUATE CERTAIN DEBT SERVICE PAYMENTS 2052

The Office of Budget and Management shall process payments 2053
from general obligation and lease rental payment appropriation 2054
items during the period from July 1, 2009, to June 30, 2011, 2055
relating to bonds or notes issued under Sections 2i, 2k, 2l, 2m, 2056
2n, 2o, 2p, 2q, and 15 of Article VIII, Ohio Constitution, and 2057
Chapters 151. and 154. of the Revised Code. Payments shall be made 2058
upon certification by the Treasurer of State, Officer of the 2059
Sinking Fund, of the dates and amounts due on those dates. 2060

Section 380. AUTHORIZATION FOR OHIO BUILDING AUTHORITY AND 2061
OBM TO EFFECTUATE CERTAIN LEASE RENTAL PAYMENTS 2062

The Office of Budget and Management shall process payments 2063
from lease rental payment appropriation items during the period 2064
from July 1, 2009, to June 30, 2011, pursuant to the lease 2065
agreements entered into relating to bonds or notes issued under 2066
Section 2i of Article VIII, Ohio Constitution, and Chapter 152. of 2067
the Revised Code. Payments shall be made upon certification by the 2068
Ohio Building Authority of the dates and the amounts due on those 2069
dates. 2070

Section 385. STATE AND LOCAL REBATE AUTHORIZATION 2071

There is hereby appropriated, from those funds designated by 2072
or pursuant to the applicable proceedings authorizing the issuance 2073
of state obligations, amounts computed at the time to represent 2074

the portion of investment income to be rebated or amounts in lieu 2075
of or in addition to any rebate amount to be paid to the federal 2076
government in order to maintain the exclusion from gross income 2077
for federal income tax purposes of interest on those state 2078
obligations pursuant to section 148(f) of the Internal Revenue 2079
Code. 2080

Rebate payments shall be approved and vouchered by the Office 2081
of Budget and Management. 2082

Section 390. APPROPRIATIONS RELATED TO CASH TRANSFERS AND 2083
REESTABLISHMENT OF ENCUMBRANCES 2084

Any cash transferred by the Director of Budget and Management 2085
as provided by section 126.15 of the Revised Code is appropriated. 2086
Any amounts necessary to reestablish appropriations or 2087
encumbrances as provided in section 126.15 of the Revised Code are 2088
hereby appropriated. 2089

Section 395. FEDERAL CASH MANAGEMENT IMPROVEMENT ACT 2090

Pursuant to the plan for compliance with the Federal Cash 2091
Management Improvement Act required by section 131.36 of the 2092
Revised Code, the Director of Budget and Management may cancel and 2093
reestablish all or parts of encumbrances in like amounts within 2094
the funds identified by the plan. The amounts necessary to 2095
reestablish all or parts of encumbrances are hereby appropriated. 2096

Section 400. STATEWIDE INDIRECT COST RECOVERY 2097

Whenever the Director of Budget and Management determines 2098
that an appropriation made to a state agency from a fund of the 2099
state is insufficient to provide for the recovery of statewide 2100
indirect costs pursuant to section 126.12 of the Revised Code, the 2101
amount required for such purpose is appropriated from the 2102
available receipts of such fund. 2103

Section 405. GRF TRANSFERS ON BEHALF OF THE STATEWIDE 2104
INDIRECT COST ALLOCATION PLAN 2105

The total transfers made from the General Revenue Fund by the 2106
Director of Budget and Management under this section shall not 2107
exceed the amounts transferred into the General Revenue Fund 2108
pursuant to section 126.12 of the Revised Code. 2109

The director of an agency may certify to the Director of 2110
Budget and Management the amount of expenses not allowed to be 2111
included in the Statewide Indirect Cost Allocation plan under 2112
federal regulations, from any fund included in the Statewide 2113
Indirect Cost Allocation plan, prepared as required by section 2114
126.12 of the Revised Code. 2115

Upon determining that no alternative source of funding is 2116
available to pay for such expenses, the Director of Budget and 2117
Management may transfer from the General Revenue Fund into the 2118
fund for which the certification is made, up to the amount of the 2119
certification. The director of the agency receiving such funds 2120
shall include, as part of the next budget submission prepared 2121
pursuant to section 126.02 of the Revised Code, a request for 2122
funding for such activities from an alternative source such that 2123
further federal disallowances would not be required. 2124

Section 410. REAPPROPRIATION OF UNEXPENDED ENCUMBERED 2125
BALANCES OF OPERATING APPROPRIATIONS 2126

An unexpended balance of an operating appropriation or 2127
reappropriation that a state agency lawfully encumbered prior to 2128
the close of a fiscal year is reappropriated on the first day of 2129
July of the following fiscal year from the fund from which it was 2130
originally appropriated or reappropriated for the following period 2131
and shall remain available only for the purpose of discharging the 2132
encumbrance: 2133

(A) For an encumbrance for personal services, maintenance, 2134
equipment, or items for resale, other than an encumbrance for an 2135
item of special order manufacture not available on term contract 2136
or in the open market or for reclamation of land or oil and gas 2137
wells for a period of not more than five months from the end of 2138
the fiscal year; 2139

(B) For an encumbrance for an item of special order 2140
manufacture not available on term contract or in the open market, 2141
for a period of not more than five months from the end of the 2142
fiscal year or, with the written approval of the Director of 2143
Budget and Management, for a period of not more than twelve months 2144
from the end of the fiscal year; 2145

(C) For an encumbrance for reclamation of land or oil and gas 2146
wells, for a period ending when the encumbered appropriation is 2147
expended or for a period of two years, whichever is less; 2148

(D) For an encumbrance for any other expense, for such period 2149
as the director approves, provided such period does not exceed two 2150
years. 2151

Any operating appropriations for which unexpended balances 2152
are reappropriated beyond a five-month period from the end of the 2153
fiscal year by division (B) of this section shall be reported to 2154
the Controlling Board by the Director of Budget and Management by 2155
the thirty-first day of December of each year. The report on each 2156
such item shall include the item, the cost of the item, and the 2157
name of the vendor. This report to the board shall be updated on a 2158
quarterly basis for encumbrances remaining open. 2159

Upon the expiration of the reappropriation period set out in 2160
division (A), (B), (C), or (D) of this section, a reappropriation 2161
made by this section lapses, and the Director of Budget and 2162
Management shall cancel the encumbrance of the unexpended 2163
reappropriation not later than the end of the weekend following 2164

the expiration of the reappropriation period. 2165

Notwithstanding the preceding paragraph, with the approval of 2166
the Director of Budget and Management, an unexpended balance of an 2167
encumbrance that was reappropriated on the first day of July by 2168
this section for a period specified in division (C) or (D) of this 2169
section and that remains encumbered at the close of the fiscal 2170
biennium is hereby reappropriated on the first day of July of the 2171
following fiscal biennium from the fund from which it was 2172
originally appropriated or reappropriated for the applicable 2173
period specified in division (C) or (D) of this section and shall 2174
remain available only for the purpose of discharging the 2175
encumbrance. 2176

The Director of Budget and Management may correct accounting 2177
errors committed by the staff of the Office of Budget and 2178
Management, such as reestablishing encumbrances or appropriations 2179
canceled in error, during the cancellation of operating 2180
encumbrances in November and of nonoperating encumbrances in 2181
December. 2182

If the Controlling Board approved a purchase, that approval 2183
remains in effect as long as the appropriation used to make that 2184
purchase remains encumbered. 2185

Section 415. FEDERAL GOVERNMENT INTEREST REQUIREMENTS 2186

Notwithstanding any provision of law to the contrary, on or 2187
before the first day of September of each fiscal year, the 2188
Director of Budget and Management, in order to reduce the payment 2189
of adjustments to the federal government, as determined by the 2190
plan prepared pursuant to division (A) of section 126.12 of the 2191
Revised Code, may designate such funds as the director considers 2192
necessary to retain their own interest earnings. 2193

Section 420. FEDERAL STABILIZATION APPROPRIATIONS 2194

There is hereby appropriated in anticipation of receiving 2195
federal stabilization funds from the American Recovery and 2196
Reinvestment Act, Title XIV for the following items: 2197

(A) Board of Regents appropriation item 235644, State Share 2198
of Instruction - Federal Stimulus - Education, \$5,959,116; 2199

(B) Department of Education appropriation item 200551 2200
Foundation Funding - Federal Stimulus, \$7,453,537; and 2201

(C) Department of Rehabilitation and Corrections 2202
appropriation item 501620 Institutional Operations-Federal 2203
Stimulus, \$638,881. 2204

Section 425. NEGATIVE CASH BALANCES 2205

Notwithstanding the provisions of section 126.06 of the 2206
Revised Code or any other provision of law to the contrary, for 2207
the period July 1, 2009, through June 30, 2011, the Director of 2208
Budget and Management may allow the negative cash balance of the 2209
General Revenue Fund to exceed ten per cent of the total revenue 2210
of the General Revenue Fund in the preceding fiscal year. 2211

Section 430. TRANSFERS TO THE BUDGET STABILIZATION FUND AND 2212
INCOME TAX REDUCTION FUND 2213

Notwithstanding section 131.44 of the Revised Code or any 2214
other provision of law to the contrary, for the period July 1, 2215
2009, through June 30, 2011, the Director of Budget and Management 2216
shall determine what, if any, surplus revenue exists in each 2217
preceding fiscal year. If the Director determines that 2218
insufficient revenues exist or that transfers to the budget 2219
stabilization fund or the income tax reduction fund are 2220
impracticable, the Director shall not be required to transfer from 2221
the General Revenue Fund the unencumbered balance on the preceding 2222
thirtieth day of June in excess of one-half of one per cent of the 2223
General Revenue Fund revenues in the preceding fiscal year to the 2224

budget stabilization fund or the income tax reduction fund. 2225

Section 803.10. Law contained in the main operating 2226
appropriations act of the 128th General Assembly that applies 2227
generally to the appropriations made in that act also applies 2228
generally to the appropriations made in this act. 2229

Section 805.10. The provisions of law contained in this act, 2230
and their applications, are severable. If any provision of law 2231
contained in this act, or if any application of any provision of 2232
law contained in this act, is held invalid, the invalidity does 2233
not affect other provisions of law contained in this act and their 2234
applications that can be given effect without the invalid 2235
provision or application. 2236

Section 807.10. An item that composes the whole or part of an 2237
uncodified section of law contained in this act has no effect 2238
after June 30, 2011, unless the context clearly indicates 2239
otherwise. 2240

Section 809.10. Except as otherwise provided in this act, the 2241
amendment or enactment by this act of a section of law is exempt 2242
from the referendum because it is or relates to an appropriation 2243
for current expenses within the meaning of Ohio Constitution, 2244
Article II, Section 1d and section 1.471 of the Revised Code and 2245
therefore takes effect immediately when this act becomes law. 2246

Section 809.12. The amendment of sections 2305.24, 2305.25, 2247
and 4123.511 of the Revised Code by this act are subject to the 2248
referendum under Ohio Constitution, Article II, Section 1c and 2249
therefore take effect on the ninety-first day after this act is 2250
filed with the Secretary of State. 2251