

**As Concurred by the House**

**128th General Assembly**

**Regular Session**

**2009-2010**

**Am. Sub. H. B. No. 16**

**Representative Sykes**

**Cosponsors: Representatives Dodd, Letson, Brown, Combs, Domenick,  
Foley, Gerberry, Goyal, Heard, Koziura, Luckie, Mallory, Pryor, Slesnick,  
Stewart, Szollosi, Williams, B., Williams, S., Winburn, Yates**

**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	1035
employees granted disability leave, including service credit	1036
towards retirement, as provided by the applicable statute;	1037
(4) The establishment of a minimum level of benefit and of a	1038
waiting period before benefits begin;	1039
(5) Provisions setting a maximum length of benefit and	1040
requiring that employees eligible to apply for disability	1041
retirement shall do so prior to completing the first six months of	1042
their period of disability. The director's rules shall indicate	1043
those employees required to apply for disability retirement. If an	1044
employee is approved to receive disability retirement, the	1045
employee shall receive the retirement benefit and a supplement	1046
payment that equals a percentage of the employee's base rate of	1047
pay and that, when added to the retirement benefit, equals no more	1048
than the percentage of pay received by employees after the first	1049
six months of disability. This supplemental payment shall not be	1050
considered earnable salary, compensation, or salary, and is not	1051
subject to contributions, under Chapter 145., 742., 3307., 3309.,	1052
or 5505. of the Revised Code.	1053
(6) Provisions that allow employees to utilize available sick	1054
leave, personal leave, <u>compensatory time</u> , or vacation leave	1055
balances to supplement the benefits payable under this section.	1056
The balances used to supplement the benefits, plus any amount	1057
contributed by the state as provided in division (D) of this	1058
section, shall be paid at the employee's base rate of pay in an	1059
amount sufficient to give employees up to one hundred per cent of	1060
pay for time on disability.	1061
(7) Procedures for appealing denial of payment of a claim,	1062
including the following:	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	
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1755

OIC INDUSTRIAL COMMISSION 1756

Workers' Compensation Fund Group 1757

5W30	845321	Operating Expenses	\$	50,838,924	\$	52,838,924	
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1758

5W30	845402	Rent - William Green	\$	6,149,960	\$	6,011,960	
		Building					

1759

5W30	845410	Attorney General	\$	3,793,650	\$	3,793,650	
		Payments					

1760

TOTAL WCF Workers' Compensation 1761

Fund Group	\$	60,782,534	\$	62,644,534	
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1762

TOTAL ALL BUDGET FUND GROUPS	\$	60,782,534	\$	62,644,534	
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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