As Reported by the House State Government and Elections Committee

129th General Assembly Regular Session 2011-2012

Sub. H. B. No. 1

Representative Duffey

Cosponsors: Representatives Mecklenborg, Adams, J., Combs, Dovilla, Grossman, Huffman

A BILL

То	amend sections 1.60, 102.01, 117.01, 121.01,	1
	121.22, 121.41, 121.60, 122.011, 124.01, 145.012,	2
	149.011, 2921.01, and 4117.01 and to enact	3
	sections 187.01 to 187.07 of the Revised Code to	4
	authorize the Governor to form a nonprofit	5
	corporation that would perform such state economic	6
	development functions as directed by law and	7
	pursuant to a contract with the Department of	8
	Development and to make an appropriation	Q

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

Section 1. That sections 1.60, 102.01, 117.01, 121.01,	10
121.22, 121.41, 121.60, 122.011, 124.01, 145.012, 149.011,	11
2921.01, and 4117.01 be amended and sections 187.01, 187.02,	12
187.03, 187.04, 187.05, 187.06, and 187.07 of the Revised Code be	13
enacted to read as follows:	14
Sec. 1.60. As used in Title I of the Revised Code, "state	15
agency," except as otherwise provided in the title, means every	16
organized body, office, or agency established by the laws of the	17

state for the exercise of any function of state government. "State	18
agency" does not include the nonprofit corporation formed under	19
section 187.01 of the Revised Code.	20

Sec. 102.01. As used in this chapter:

(A) "Compensation" means money, thing of value, or financial 22 benefit. "Compensation" does not include reimbursement for actual 23 and necessary expenses incurred in the performance of official 24 duties. 25

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- (B) "Public official or employee" means any person who is 26 elected or appointed to an office or is an employee of any public 27 agency. "Public official or employee" does not include a person 28 elected or appointed to the office of precinct, ward, or district 29 committee member under section 3517.03 of the Revised Code, any 30 presidential elector, or any delegate to a national convention. 31 "Public official or employee" does not include a person who is a 32 teacher, instructor, professor, or other kind of educator whose 33 position does not involve the performance of, or authority to 34 perform, administrative or supervisory functions. 35
- (C) "Public agency" means the general assembly, all courts, any department, division, institution, board, commission, authority, bureau or other instrumentality of the state, a county, city, village, or township, the five state retirement systems, or any other governmental entity. "Public agency" does not include a department, division, institution, board, commission, authority, or other instrumentality of the state or a county, municipal corporation, township, or other governmental entity that functions exclusively for cultural, educational, historical, humanitarian, advisory, or research purposes; that does not expend more than ten thousand dollars per calendar year, excluding salaries and wages of employees; and whose members are uncompensated. "Public agency" does not include the nonprofit corporation formed under section

Sub. H. B. No. 1 As Reported by the House State Government and Elections Committee	Page 5
collected by any individual on behalf of a public office or as a	109
purported representative or agent of the public office.	110
(D) "Public office" means any state agency, public	111
institution, political subdivision, other organized body, office,	112
agency, institution, or entity established by the laws of this	113
state for the exercise of any function of government. "Public	114
office" does not include the nonprofit corporation formed under	115
section 187.01 of the Revised Code.	116
(E) "Public official" means any officer, employee, or duly	117
authorized representative or agent of a public office.	118
(F) "State agency" means every organized body, office,	119
agency, institution, or other entity established by the laws of	120
the state for the exercise of any function of state government.	121
(G) "Audit" means any of the following:	122
(1) Any examination, analysis, or inspection of the state's	123
or a public office's financial statements or reports;	124
(2) Any examination, analysis, or inspection of records,	125
documents, books, or any other evidence relating to either of the	126
following:	127
(a) The collection, receipt, accounting, use, or expenditure	128
of public money by a public office or by a private institution,	129
association, board, or corporation;	130
(b) The determination by the auditor of state, as required by	131
section 117.11 of the Revised Code, of whether a public office has	132
complied with all the laws, rules, ordinances, or orders	133
pertaining to the public office.	134
(3) Any other type of examination, analysis, or inspection of	135
a public office or of a private institution, association, board,	136
or corporation receiving public money that is conducted according	137
to generally accepted or governmental auditing standards	138

Sub. H. B. No. 1 As Reported by the House State Government and Elections Committee	Page 6
established by rule pursuant to section 117.19 of the Revised	139
Code.	140
Sec. 121.01. As used in sections 121.01 to 121.20 of the	141
Revised Code:	142
(A) "Department" means the several departments of state	143
administration enumerated in section 121.02 of the Revised Code.	144
(B) "Division" means a part of a department established as	145
provided in section 121.07 of the Revised Code for the convenient	146
performance of one or more of the functions committed to a	147
department.	148
(C) "Departments, offices, and institutions" include every	149
organized body, office, and agency established by the constitution	150
and laws of the state for the exercise of any function of the	151
state government, and every institution or organization which	152
receives any support from the state. "Departments, offices, and	153
institutions" does not include the nonprofit corporation formed	154
under section 187.01 of the Revised Code.	155
Sec. 121.22. (A) This section shall be liberally construed to	156
require public officials to take official action and to conduct	157
all deliberations upon official business only in open meetings	158
unless the subject matter is specifically excepted by law.	159
(B) As used in this section:	160
(1) "Public body" means any of the following:	161
(a) Any board, commission, committee, council, or similar	162
decision-making body of a state agency, institution, or authority,	163
and any legislative authority or board, commission, committee,	164
council, agency, authority, or similar decision-making body of any	165
county, township, municipal corporation, school district, or other	166
political subdivision or local public institution;	167

Sub. H. B. No. 1 As Reported by the House State Government and Elections Committee	Page 8
be open to public inspection. The minutes need only reflect the	198
general subject matter of discussions in executive sessions	199
authorized under division (G) or (J) of this section.	200
(D) This section does not apply to any of the following:	201
(1) A grand jury;	202
(2) An audit conference conducted by the auditor of state or	203
independent certified public accountants with officials of the	204
public office that is the subject of the audit;	205
(3) The adult parole authority when its hearings are	206
conducted at a correctional institution for the sole purpose of	207
interviewing inmates to determine parole or pardon;	208
(4) The organized crime investigations commission established	209
under section 177.01 of the Revised Code;	210
(5) Meetings of a child fatality review board established	211
under section 307.621 of the Revised Code and meetings conducted	212
pursuant to sections 5153.171 to 5153.173 of the Revised Code;	213
(6) The state medical board when determining whether to	214
suspend a certificate without a prior hearing pursuant to division	215
(G) of either section 4730.25 or 4731.22 of the Revised Code;	216
(7) The board of nursing when determining whether to suspend	217
a license or certificate without a prior hearing pursuant to	218
division (B) of section 4723.281 of the Revised Code;	219
(8) The state board of pharmacy when determining whether to	220
suspend a license without a prior hearing pursuant to division (D)	221
of section 4729.16 of the Revised Code;	222
(9) The state chiropractic board when determining whether to	223
suspend a license without a hearing pursuant to section 4734.37 of	224
the Revised Code-:	225
(10) The executive committee of the emergency response	226
commission when determining whether to issue an enforcement order	227

Sub. H. B. No. 1 As Reported by the House State Government and Elections Committee	Page 9
or request that a civil action, civil penalty action, or criminal	228
action be brought to enforce Chapter 3750. of the Revised Code:	229
(11) The board of directors of the nonprofit corporation	230
formed under section 187.01 of the Revised Code or any committee	231
thereof, and the board of directors of any subsidiary of that	232
corporation or a committee thereof.	233
(E) The controlling board, the development financing advisory	234
council, the industrial technology and enterprise advisory	235
council, the tax credit authority, or the minority development	236
financing advisory board, when meeting to consider granting	237
assistance pursuant to Chapter 122. or 166. of the Revised Code,	238
in order to protect the interest of the applicant or the possible	239
investment of public funds, by unanimous vote of all board,	240
council, or authority members present, may close the meeting	241
during consideration of the following information confidentially	242
received by the authority, council, or board from the applicant:	243
(1) Marketing plans;	244
(2) Specific business strategy;	245
(3) Production techniques and trade secrets;	246
(4) Financial projections;	247
(5) Personal financial statements of the applicant or members	248
of the applicant's immediate family, including, but not limited	249
to, tax records or other similar information not open to public	250
inspection.	251
The vote by the authority, council, or board to accept or	252
reject the application, as well as all proceedings of the	253
authority, council, or board not subject to this division, shall	254
be open to the public and governed by this section.	255
(F) Every public body, by rule, shall establish a reasonable	256
method whereby any person may determine the time and place of all	257

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regularly scheduled meetings and the time, place, and purpose of 258 all special meetings. A public body shall not hold a special 259 meeting unless it gives at least twenty-four hours' advance notice 260 to the news media that have requested notification, except in the 261 event of an emergency requiring immediate official action. In the 262 event of an emergency, the member or members calling the meeting 263 shall notify the news media that have requested notification 264 immediately of the time, place, and purpose of the meeting. 265

The rule shall provide that any person, upon request and payment of a reasonable fee, may obtain reasonable advance notification of all meetings at which any specific type of public business is to be discussed. Provisions for advance notification may include, but are not limited to, mailing the agenda of meetings to all subscribers on a mailing list or mailing notices in self-addressed, stamped envelopes provided by the person.

- (G) Except as provided in division (J) of this section, the 273 members of a public body may hold an executive session only after 274 a majority of a quorum of the public body determines, by a roll 275 call vote, to hold an executive session and only at a regular or 276 special meeting for the sole purpose of the consideration of any 277 of the following matters: 278
- (1) To consider the appointment, employment, dismissal, 279 discipline, promotion, demotion, or compensation of a public 280 employee or official, or the investigation of charges or 281 complaints against a public employee, official, licensee, or 282 regulated individual, unless the public employee, official, 283 licensee, or regulated individual requests a public hearing. 284 Except as otherwise provided by law, no public body shall hold an 285 executive session for the discipline of an elected official for 286 conduct related to the performance of the elected official's 287 official duties or for the elected official's removal from office. 288 If a public body holds an executive session pursuant to division 289

- (G)(1) of this section, the motion and vote to hold that executive 290 session shall state which one or more of the approved purposes 291 listed in division (G)(1) of this section are the purposes for 292 which the executive session is to be held, but need not include 293 the name of any person to be considered at the meeting. 294
- (2) To consider the purchase of property for public purposes, 295 or for the sale of property at competitive bidding, if premature 296 disclosure of information would give an unfair competitive or 297 bargaining advantage to a person whose personal, private interest 298 is adverse to the general public interest. No member of a public 299 body shall use division (G)(2) of this section as a subterfuge for 300 providing covert information to prospective buyers or sellers. A 301 purchase or sale of public property is void if the seller or buyer 302 of the public property has received covert information from a 303 member of a public body that has not been disclosed to the general 304 public in sufficient time for other prospective buyers and sellers 305 to prepare and submit offers. 306

If the minutes of the public body show that all meetings and 307 deliberations of the public body have been conducted in compliance 308 with this section, any instrument executed by the public body 309 purporting to convey, lease, or otherwise dispose of any right, 310 title, or interest in any public property shall be conclusively 311 presumed to have been executed in compliance with this section 312 insofar as title or other interest of any bona fide purchasers, 313 lessees, or transferees of the property is concerned. 314

- (3) Conferences with an attorney for the public body315concerning disputes involving the public body that are the subjectof pending or imminent court action;317
- (4) Preparing for, conducting, or reviewing negotiations orbargaining sessions with public employees concerning theircompensation or other terms and conditions of their employment;320

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(5) Matters required to be kept confidential by federal law	321
or regulations or state statutes;	322
(6) Details relative to the security arrangements and	323
emergency response protocols for a public body or a public office,	324
if disclosure of the matters discussed could reasonably be	325
expected to jeopardize the security of the public body or public	326
office;	327
(7) In the case of a county hospital operated pursuant to	328
Chapter 339. of the Revised Code, a joint township hospital	329
operated pursuant to Chapter 513. of the Revised Code, or a	330
municipal hospital operated pursuant to Chapter 749. of the	331
Revised Code, to consider trade secrets, as defined in section	332
1333.61 of the Revised Code.	333
If a public body holds an executive session to consider any	334
of the matters listed in divisions $(G)(2)$ to (7) of this section,	335
the motion and vote to hold that executive session shall state	336
which one or more of the approved matters listed in those	337
divisions are to be considered at the executive session.	338
A public body specified in division (B)(1)(c) of this section	339
shall not hold an executive session when meeting for the purposes	340
specified in that division.	341
(H) A resolution, rule, or formal action of any kind is	342
invalid unless adopted in an open meeting of the public body. A	343
resolution, rule, or formal action adopted in an open meeting that	344
results from deliberations in a meeting not open to the public is	345
invalid unless the deliberations were for a purpose specifically	346
authorized in division (G) or (J) of this section and conducted at	347
an executive session held in compliance with this section. A	348
resolution, rule, or formal action adopted in an open meeting is	349
invalid if the public body that adopted the resolution, rule, or	350

formal action violated division (F) of this section.

- (I)(1) Any person may bring an action to enforce this 352 section. An action under division (I)(1) of this section shall be 353 brought within two years after the date of the alleged violation 354 or threatened violation. Upon proof of a violation or threatened 355 violation of this section in an action brought by any person, the 356 court of common pleas shall issue an injunction to compel the 357 members of the public body to comply with its provisions. 358 (2)(a) If the court of common pleas issues an injunction 359 pursuant to division (I)(1) of this section, the court shall order 360 the public body that it enjoins to pay a civil forfeiture of five 361 hundred dollars to the party that sought the injunction and shall 362 award to that party all court costs and, subject to reduction as 363 described in division (I)(2) of this section, reasonable 364 attorney's fees. The court, in its discretion, may reduce an award 365 of attorney's fees to the party that sought the injunction or not 366 award attorney's fees to that party if the court determines both 367 of the following: 368 (i) That, based on the ordinary application of statutory law 369 and case law as it existed at the time of violation or threatened 370 violation that was the basis of the injunction, a well-informed 371 public body reasonably would believe that the public body was not 372 violating or threatening to violate this section; 373 (ii) That a well-informed public body reasonably would 374 believe that the conduct or threatened conduct that was the basis 375 of the injunction would serve the public policy that underlies the 376 authority that is asserted as permitting that conduct or 377 threatened conduct. 378 (b) If the court of common pleas does not issue an injunction 379
- pursuant to division (I)(1) of this section and the court

 determines at that time that the bringing of the action was

 frivolous conduct, as defined in division (A) of section 2323.51

 of the Revised Code, the court shall award to the public body all

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as it is available to the persons listed in this division, or an	473
offer or sale of securities to any person listed in this division	474
that is governed by regulation D, 17 C.F.R. 230.501 to 230.508,	475
adopted under the authority of the "Securities Act of 1933," 48	476
Stat. 74, 15 U.S.C.A. and following, or that is governed by a	477
comparable provision under state law.	478
(C) "Employer" means any person who, directly or indirectly,	479
engages an executive agency lobbyist.	480
(D) "Engage" means to make any arrangement, and "engagement"	481
means arrangement, whereby an individual is employed or retained	482
for compensation to act for or on behalf of an employer to	483
influence executive agency decisions or to conduct any executive	484
agency lobbying activity.	485
(E) "Financial transaction" means a transaction or activity	486
that is conducted or undertaken for profit and arises from the	487
joint ownership or the ownership or part ownership in common of	488
any real or personal property or any commercial or business	489
enterprise of whatever form or nature between the following:	490
(1) An executive agency lobbyist, the executive agency	491
lobbyist's employer, or a member of the immediate family of the	492
executive agency lobbyist or the executive agency lobbyist's	493
employer; and	494
(2) Any elected executive official, the director of a	495
department created under section 121.02 of the Revised Code, an	496
executive agency official, or any member of the staff of a public	497
officer or employee listed in division (E)(2) of this section.	498
"Financial transaction" does not include any transaction or	499
activity described in division (E) of this section if it is	500
available to the general public on the same terms, or if it is an	501
offer or sale of securities to any person listed in division	502

(E)(2) of this section that is governed by regulation D, 17 C.F.R.

230.501 to 230.508, adopted under the authority of the "Securities	
Act of 1933," 48 Stat. 74, 15 U.S.C.A. and following, or that is	
governed by a comparable provision under state law.	

- (F) "Executive agency" means the office of an elected 507 executive official, a department created under section 121.02 of 508 the Revised Code, or any other state agency, department, board, or 509 commission controlled or directed by an elected executive official 510 or otherwise subject to an elected executive official's authority. 511 For the purposes of sections 121.60 to 121.69 of the Revised Code 512 only, "executive agency" includes the nonprofit corporation formed 513 under section 187.01 of the Revised Code. "Executive agency" does 514 not include any court, the general assembly, or the controlling 515 board. 516
- (G) "Executive agency decision" means a decision of an 517 executive agency regarding the expenditure of funds of the state 518 or of an executive agency with respect to the award of a contract, 519 grant, lease, or other financial arrangement under which such 520 funds are distributed or allocated, or a regulatory decision of an 521 executive agency or any board or commission of the state. 522 "Executive agency decision" does not include either of the 523 following: 524
- (1) A purchasing decision for which a vendor has filed a 525 statement certifying that the vendor has not made campaign 526 contributions in an amount such that section 3517.13 of the 527 Revised Code would invalidate the decision, if that vendor has not 528 engaged an executive agency lobbyist; 529
- (2) The award of a competitively bid contract for which bid
 specifications were prepared and for which at least three eligible
 competitive bids were received by the executive agency.
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- (H) "Executive agency lobbyist" means any person engaged to 533 influence executive agency decisions or to conduct executive 534

agency lobbying activity as one of the person's main purposes on a	535
regular and substantial basis. "Executive agency lobbyist" does	536
not include an elected or appointed officer or employee of a	537
federal or state agency, state college, state university, or	538
political subdivision who attempts to influence or affect	539
executive agency decisions in a fiduciary capacity as a	540
representative of the officer's or employee's agency, college,	541
university, or political subdivision.	542

- (I) "Executive agency lobbying activity" means contacts made 543 to promote, oppose, or otherwise influence the outcome of an 544 executive agency decision by direct communication with an elected 545 executive official, the director of any department listed in 546 section 121.02 of the Revised Code, any executive agency official, 547 a member of the staff of any public officer or employee listed in 548 this division, any person described in division (E)(2) of this 549 section, or the Ohio casino control commission. "Lobbying 550 activity" does not include any of the following: 551
- (1) The action of any person having a direct interest in 552 executive agency decisions who, under Section 3 of Article I, Ohio 553 Constitution, assembles together with other persons to consult for 554 their common good, instructs a person listed in the first 555 paragraph of division (I) of this section, or petitions such a 556 person for the redress of grievances; 557
- (2) Contacts made for the sole purpose of gathering 558 information contained in a public record; 559
 - (3) Appearances before an executive agency to give testimony. 560
- (J) "Executive agency official" means an officer or employee 561 of an executive agency whose principal duties are to formulate 562 policy or to participate directly or indirectly in the 563 preparation, review, or award of contracts, grants, leases, or 564 other financial arrangements with an executive agency. 565

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the orderly growth and development of this state and which shall

provide planning assistance, as provided in section 122.06 of the

Revised Code;

- (6) Cooperate with and provide technical assistance to state 600 departments, political subdivisions, regional and local planning 601 commissions, tourist associations, councils of government, 602 community development groups, community action agencies, and other 603 appropriate organizations for carrying out the functions and 604 duties of the department or for the solution of community 605 problems;
- (7) Coordinate the activities of state agencies that have an 607 impact on carrying out the functions and duties of the department; 608
- (8) Encourage and assist the efforts of and cooperate with 609 local governments to develop mutual and cooperative solutions to 610 their common problems that relate to carrying out the purposes of 611 this section; 612
- (9) Study existing structure, operations, and financing of 613 regional or local government and those state activities that 614 involve significant relations with regional or local governmental 615 units, recommend to the governor and to the general assembly such 616 changes in these provisions and activities as will improve the 617 operations of regional or local government, and conduct other 618 studies of legal provisions that affect problems related to 619 carrying out the purposes of this section; 620
- (10) Create and operate a division of community development
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 to develop and administer programs and activities that are
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 authorized by federal statute or the Revised Code;
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- (11) Until October 15, 2007, establish fees and charges, in
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 consultation with the director of agriculture, for purchasing
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 loans from financial institutions and providing loan guarantees
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187.01 of the Revised Code.

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- (c) Any firefighter who has elected under section 742.516 of the Revised Code to transfer from the Ohio police and fire pension fund to the public employees retirement system.
- (7) Who is a member of the board of health of a city or 751 general health district, which pursuant to sections 3709.051 and 752 3709.07 of the Revised Code includes a combined health district, 753 and whose compensation for attendance at meetings of the board is 754 set forth in division (B) of section 3709.02 or division (B) of 755 section 3709.05 of the Revised Code, as appropriate; 756
- (8) Who participates in an alternative retirement planestablished under Chapter 3305. of the Revised Code;758
- (9) Who is a member of the board of directors of a sanitary 759 district established under Chapter 6115. of the Revised Code; 760
- (10) Who is a member of the unemployment compensation 761 advisory council: 762
- (11) Who is an employee, officer, or governor-appointed

 member of the board of directors of the nonprofit corporation

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 formed under section 187.01 of the Revised Code.

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- (B) No inmate of a correctional institution operated by the 766 department of rehabilitation and correction, no patient in a 767 hospital for the mentally ill or criminally insane operated by the 768 department of mental health, no resident in an institution for the 769 mentally retarded operated by the department of developmental 770 disabilities, no resident admitted as a patient of a veterans' 771 home operated under Chapter 5907. of the Revised Code, and no 772 resident of a county home shall be considered as a public employee 773 for the purpose of establishing membership or calculating service 774 credit or benefits under this chapter. Nothing in this division 775 shall be construed to affect any service credit attained by any 776 person who was a public employee before becoming an inmate, 777 patient, or resident at any institution listed in this division, 778

(C) A requirement that the governor make initial appointments

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Revised Code;

to the board within sixty days after the filing of the articles of	839
incorporation. Of the initial appointments made to the board, two	840
shall be for a term ending one year after the date the articles	841
were filed, two shall be for a term ending two years after the	842
date the articles were filed, and four shall be for a term ending	843
four years after the date the articles were filed. The articles	844
shall state that, following the initial appointments, the governor	845
shall appoint directors to terms of office of four years, with	846
each term of office ending on the same day of the same month as	847
did the term that it succeeds.	848
(D) The designation of the governor as the chairperson of the	849
coard and procedures for electing directors to serve as officers	850
of the corporation and members of an executive committee;	851
(E) A provision for the appointment of a chief investment	852
officer of the corporation by the recommendation of the board of	853
directors and approval of the governor. The chief investment	854
officer shall serve at the pleasure of the governor and shall have	855
the power to execute contracts, spend corporation funds, and hire	856
employees on behalf of the corporation.	857
(F) Provisions requiring the board to do all of the	858
following:	859
(1) Adopt one or more resolutions providing for compensation	860
of the chief investment officer;	861
(2) Approve an employee compensation plan recommended by the	862
chief investment officer;	863
(3) Approve a contract with the director of development for	864
the corporation to exercise any and all of the powers, functions,	865
or duties of the department of development to the fullest extent	866
not otherwise prohibited by the laws of this state or of the	867
<u> Inited States;</u>	868
(4) Approve all major contracts for services recommended by	869

Sub. H. B. No. 1 As Reported by the House State Government and Elections Committee	Page 30
the chief investment officer;	870
(5) Establish an annual strategic plan and standards of	871
measure to be used in evaluating the corporation's success in	872
executing the plan;	873
(6) Establish a conflicts of interest policy that, at a	874
minimum, complies with section 187.06 of the Revised Code;	875
(7) Hold a minimum of four board of directors meetings per	876
year at which a quorum of the board is physically present, and	877
such other meetings, at which directors' physical presence is not	878
required, as may be necessary. Meetings at which a quorum of the	879
board is required to be physically present are subject to division	880
(D) of section 187.03 of the Revised Code.	881
(G) A statement that directors shall not receive any	882
compensation from the corporation, except that governor-appointed	883
directors may be reimbursed for actual and necessary expenses	884
incurred in connection with services performed for the	885
<pre>corporation;</pre>	886
(H) A provision authorizing the board to amend provisions of	887
the corporation's articles of incorporation or regulations, except	888
provisions required by this chapter;	889
(I) Procedures by which the corporation would be dissolved	890
and by which all corporation rights, liabilities, and assets would	891
be distributed to the state or to another corporation organized	892
under this chapter. The articles shall state that no dissolution	893
shall take effect until the corporation has made adequate	894
provision for the payment of any outstanding bonds, notes, or	895
other obligations.	896
(J) A provision establishing an audit committee to be	897
comprised of directors. The articles shall require that the audit	898
committee hire an independent certified public accountant to	899
perform a financial audit of the corporation at least once every	900

As Reported by the House State Government and Elections Committee	
year.	901
(K) A provision authorizing the governor, as chairperson of	902
the corporation, to remove a director for misconduct as may be	903
defined in the articles or regulations of the corporation. The	904
removal of a director under this division creates a vacancy on the	905
board that the governor shall fill by appointment for the	906
remainder of the term of office of the vacated seat.	907
Sec. 187.02. (A) To qualify for appointment to the board of	908
directors of JobsOhio, an individual must satisfy all of the	909
<u>following:</u>	910
(1) Has an understanding of generally accepted accounting	911
<pre>principles and financial statements;</pre>	912
(2) Possesses the ability to assess the general application	913
of such principles in connection with the accounting for	914
estimates, accruals, and reserves;	915
(3) Has experience preparing, auditing, analyzing, or	916
evaluating financial statements that present a breadth and level	917
of complexity of accounting issues that are generally comparable	918
to the breadth and complexity of issues that can reasonably be	919
expected to be presented by the JobsOhio corporation's financial	920
statements, or experience actively supervising one or more persons	921
engaged in such activities;	922
(4) Has an understanding of internal controls and the	923
procedures for financial reporting;	924
(5) Has an understanding of audit committee functions.	925
(B) Specific experience demonstrating the qualifications	926
required by division (A) of this section may be evidenced by any	927
of the following:	928
(1) Education and experience as a principal financial	929
officer, principal accounting officer, controller, public	930

Sub. H. B. No. 1

Sub. H. B. No. 1

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report.

(4) The prohibition applicable to former public officials or	993
employees in division (A)(1) of section 102.03 of the Revised Code	994
does not apply to any person appointed to be a director or hired	995
as an employee of JobsOhio.	996
(5) Any person who is a former state employee shall no longer	997
be considered a public employee for purposes of Chapter 145. of	998
the Revised Code upon commencement of employment with JobsOhio.	999
(D) Meetings of the board of directors at which a quorum of	1000
the board is required to be physically present pursuant to	1001
division (F) of section 187.01 of the Revised Code shall be open	1002
to the public except, by a majority vote of the directors present	1003
at the meeting, such a meeting may be closed to the public only	1004
for one or more of the following purposes:	1005
(1) To consider business strategy of the corporation;	1006
(2) To consider proprietary information belonging to	1007
potential applicants or potential recipients of business	1008
recruitment, retention, or creation incentives. For the purposes	1009
of this division, "proprietary information" means marketing plans,	1010
specific business strategy, production techniques and trade	1011
secrets, financial projections, or personal financial statements	1012
of applicants or members of the applicants' immediate family,	1013
including, but not limited to, tax records or other similar	1014
information not open to the public inspection.	1015
(3) To consider legal matters, including litigation, in which	1016
the corporation is or may be involved;	1017
(4) To consider personnel matters related to an individual	1018
employee of the corporation.	1019
(E) Not later than March 1, 2012, and the first day of March	1020
of each year thereafter, the chief investment officer of JobsOhio	1021
shall prepare and submit a report of the corporation's activities	1022
for the preceding year to the governor, the speaker and minority	1023

Sub. H. B. No. 1 As Reported by the House State Government and Elections Committee	Page 35
leader of the house of representatives, and the president and	1024
minority leader of the senate. The annual report shall include the	1025
<pre>following:</pre>	1026
(1) An analysis of the state's economy;	1027
(2) A description of the structure, operation, and financial	1028
status of the corporation;	1029
(3) A description of the corporation's strategy to improve	1030
the state economy and the standards of measure used to evaluate	1031
its progress;	1032
(4) An evaluation of the performance of current strategies	1033
and major initiatives;	1034
(5) An analysis of any statutory or administrative barriers	1035
to successful economic development, business recruitment, and job	1036
growth in the state identified by JobsOhio during the preceding	1037
year.	1038
Sec. 187.04. The director of development, as soon as	1039
practical after the effective date of this section, shall execute	1040
a contract with JobsOhio for the corporation to assist the	1041
director and the department of development in the exercise of any	1042
or all of the powers, functions, or duties of the department,	1043
including the operation and management of programs, offices,	1044
divisions, or boards, as may be determined by the director in	1045
consultation with the governor.	1046
The term of a contract entered into under this section shall	1047
not extend beyond a fiscal biennium of the general assembly, but	1048
may be renewed or amended by the parties.	1049
A contract entered into under this section shall include both	1050
of the following:	1051
(A) Terms assigning to the corporation the duties of advising	1052
and assisting the director of development in the director's	1053

negotiating a transaction or arrangement. Compensation includes

direct and indirect remuneration as well as material gifts or

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Sub. H. B. No. 1 As Reported by the House State Government and Elections Committee	Page 38
<u>favors.</u>	1114
(B) The conflicts of interest policy adopted pursuant to	1115
section 187.01 of the Revised Code shall protect JobsOhio's	1116
interest when it is considering a transaction or arrangement that	1117
might benefit the private interest of a director or officer of	1118
JobsOhio or might excessively benefit that individual. An	1119
interested individual shall disclose the existence of a financial	1120
interest to each member of the board of directors of JobsOhio. The	1121
interested individual shall be given an opportunity to disclose	1122
all material facts to the directors. After disclosure of the	1123
financial interest and all material facts, the board of directors	1124
shall decide if a conflict of interest exists. If a conflict	1125
exists, the board shall determine whether JobsOhio can obtain with	1126
reasonable efforts a more advantageous transaction or arrangement	1127
from a person that would not give rise to a conflict of interest.	1128
If a more advantageous transaction or arrangement is not	1129
reasonably possible under circumstances not producing a conflict	1130
of interest, the board shall determine by a majority vote of the	1131
disinterested directors whether the transaction or arrangement is	1132
in JobsOhio's best interest, for its own benefit, and whether it	1133
is fair and reasonable.	1134
(C) If the board of directors has reasonable cause to believe	1135
a director or officer has failed to disclose an actual or possible	1136
conflict of interest, it shall inform the individual of the basis	1137
for such belief and provide the individual with an opportunity to	1138
explain the alleged failure to disclose. If the board determines	1139
the individual has failed to disclose an actual or possible	1140
conflict of interest, it shall take appropriate disciplinary and	1141
corrective action.	1142
(D) Minutes of board meetings considering possible or actual	1143

conflicts of interest shall be kept. The minutes shall contain

both of the following:

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(1) The names of the individuals who disclosed, or were found	1146
to have, a financial interest in connection with an actual or	1147
possible conflict of interest, the nature of the financial	1148
interest, any action taken to determine whether a conflict of	1149
interest was present, and the board's decision as to whether a	1150
conflict of interest existed;	1151
(2) The names of the individuals who were present for	1152
discussions and votes relating to the transaction or arrangement,	1153
the content of the discussion, including any alternatives to the	1154
proposed transaction or arrangement, and a record of any votes	1155
taken in connection with the proceedings.	1156
(E) An officer or employee of JobsOhio whose responsibility	1157
includes compensation matters and who receives compensation,	1158
directly or indirectly, from JobsOhio for services is precluded	1159
from voting or providing information to a compensation committee,	1160
if any, on matters pertaining to that individual's compensation.	1161
(F) The conflicts of interest policy adopted pursuant to	1162
section 187.01 of the Revised Code shall prohibit any director of	1163
JobsOhio from soliciting or accepting employment with any person	1164
that receives or has received an incentive or other assistance as	1165
a result of a decision the director participated in as a director	1166
of JobsOhio.	1167
(G) Each director or officer shall annually sign a statement	1168
which affirms the individual:	1169
(1) Has received a copy of the conflicts of interest policy;	1170
(2) Has read and understands the policy;	1171
(3) Has agreed to comply with the policy;	1172
(4) Understands JobsOhio's statutory purpose and that it is a	1173
nonprofit corporation.	1174
(H) To ensure JobsOhio operates in a manner consistent with	1175

Sub. H. B. No. 1 As Reported by the House State Government and Elections Committee	Page 40
its statutory purpose or contractual obligations, periodic reviews	1176
shall be conducted. The periodic reviews shall, at a minimum,	1177
determine all of the following:	1178
(1) Whether compensation arrangements and benefits are	1179
reasonable, based on competent survey information, and the result	1180
of arm's length bargaining;	1181
(2) Whether JobsOhio's operations are consistent with its	1182
articles of incorporation, regulations, and contractual	1183
obligations, and are properly documented;	1184
(3) Whether transactions are fair to JobsOhio, reflect	1185
reasonable investment or payments for goods and services, further	1186
JobsOhio's statutory purpose or contractual obligations, and do	1187
not result in excessive private benefit to directors, officers, or	1188
other persons.	1189
Sec. 187.07. Any action brought by or on behalf of the	1190
corporation against a director or former director in that	1191
individual's capacity as a director shall be brought in the court	1192
of common pleas of Franklin county.	1193
Sec. 2921.01. As used in sections 2921.01 to 2921.45 of the	1194
Revised Code:	1195
(A) "Public official" means any elected or appointed officer,	1196
or employee, or agent of the state or any political subdivision,	1197
whether in a temporary or permanent capacity, and includes, but is	1198
not limited to, legislators, judges, and law enforcement officers.	1199
"Public official" does not include an employee, officer, or	1200
governor-appointed member of the board of directors of the	1201
nonprofit corporation formed under section 187.01 of the Revised	1202
Code.	1203
(B) "Public servant" means any of the following:	1204

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(1) Any public official; 1205 (2) Any person performing ad hoc a governmental function, 1206 including, but not limited to, a juror, member of a temporary 1207 commission, master, arbitrator, advisor, or consultant; 1208 (3) A person who is a candidate for public office, whether or 1209 1210 not the person is elected or appointed to the office for which the 1211 person is a candidate. A person is a candidate for purposes of this division if the person has been nominated according to law 1212 for election or appointment to public office, or if the person has 1213 filed a petition or petitions as required by law to have the 1214 person's name placed on the ballot in a primary, general, or 1215 special election, or if the person campaigns as a write-in 1216 candidate in any primary, general, or special election. 1217 (C) "Party official" means any person who holds an elective 1218 or appointive post in a political party in the United States or 1219 this state, by virtue of which the person directs, conducts, or 1220 participates in directing or conducting party affairs at any level 1221 of responsibility. 1222 (D) "Official proceeding" means any proceeding before a 1223 legislative, judicial, administrative, or other governmental 1224 agency or official authorized to take evidence under oath, and 1225 includes any proceeding before a referee, hearing examiner, 1226 commissioner, notary, or other person taking testimony or a 1227 deposition in connection with an official proceeding. 1228 (E) "Detention" means arrest; confinement in any vehicle 1229 subsequent to an arrest; confinement in any public or private 1230 facility for custody of persons charged with or convicted of crime 1231 in this state or another state or under the laws of the United 1232 States or alleged or found to be a delinquent child or unruly 1233 child in this state or another state or under the laws of the

United States; hospitalization, institutionalization, or

confinement in any public or private facility that is ordered 1236 pursuant to or under the authority of section 2945.37, 2945.371, 1237 2945.38, 2945.39, 2945.40, 2945.401, or 2945.402 of the Revised 1238 Code; confinement in any vehicle for transportation to or from any 1239 facility of any of those natures; detention for extradition or 1240 deportation; except as provided in this division, supervision by 1241 any employee of any facility of any of those natures that is 1242 incidental to hospitalization, institutionalization, or 1243 confinement in the facility but that occurs outside the facility; 1244 supervision by an employee of the department of rehabilitation and 1245 correction of a person on any type of release from a state 1246 correctional institution; or confinement in any vehicle, airplane, 1247 or place while being returned from outside of this state into this 1248 state by a private person or entity pursuant to a contract entered 1249 into under division (E) of section 311.29 of the Revised Code or 1250 division (B) of section 5149.03 of the Revised Code. For a person 1251 confined in a county jail who participates in a county jail 1252 industry program pursuant to section 5147.30 of the Revised Code, 1253 "detention" includes time spent at an assigned work site and going 1254 to and from the work site. 1255

- (F) "Detention facility" means any public or private place 1256 used for the confinement of a person charged with or convicted of 1257 any crime in this state or another state or under the laws of the 1258 United States or alleged or found to be a delinquent child or 1259 unruly child in this state or another state or under the laws of 1260 the United States.
- (G) "Valuable thing or valuable benefit" includes, but is not 1262 limited to, a contribution. This inclusion does not indicate or 1263 imply that a contribution was not included in those terms before 1264 September 17, 1986.
- (H) "Campaign committee," "contribution," "political action 1266 committee," "legislative campaign fund," "political party," and 1267

Sub. H. B. No. 1 As Reported by the House State Government and Elections Committee	Page 43
"political contributing entity" have the same meanings as in	1268
section 3517.01 of the Revised Code.	1269
(I) "Provider agreement" and "medical assistance program"	1270
have the same meanings as in section 2913.40 of the Revised Code.	1271
Sec. 4117.01. As used in this chapter:	1272
(A) "Person," in addition to those included in division (C)	1273
of section 1.59 of the Revised Code, includes employee	1274
organizations, public employees, and public employers.	1275
(B) "Public employer" means the state or any political	1276
subdivision of the state located entirely within the state,	1277
including, without limitation, any municipal corporation with a	1278
population of at least five thousand according to the most recent	1279
federal decennial census; county; township with a population of at	1280
least five thousand in the unincorporated area of the township	1281
according to the most recent federal decennial census; school	1282
district; governing authority of a community school established	1283
under Chapter 3314. of the Revised Code; state institution of	1284
higher learning; public or special district; state agency,	1285
authority, commission, or board; or other branch of public	1286
employment. "Public employer" does not include the nonprofit	1287
corporation formed under section 187.01 of the Revised Code.	1288
(C) "Public employee" means any person holding a position by	1289
appointment or employment in the service of a public employer,	1290
including any person working pursuant to a contract between a	1291
public employer and a private employer and over whom the national	1292
labor relations board has declined jurisdiction on the basis that	1293
the involved employees are employees of a public employer, except:	1294
(1) Persons holding elective office;	1295
(2) Employees of the general assembly and employees of any	1296
other legislative body of the public employer whose principal	1297

Sub. H. B. No. 1 As Reported by the House State Government and Elections Committee	Page 44
duties are directly related to the legislative functions of the	1298
body;	1299
(3) Employees on the staff of the governor or the chief	1300
executive of the public employer whose principal duties are	1301
directly related to the performance of the executive functions of	1302
the governor or the chief executive;	1303
(4) Persons who are members of the Ohio organized militia,	1304
while training or performing duty under section 5919.29 or 5923.12	1305
of the Revised Code;	1306
(5) Employees of the state employment relations board,	1307
including those employees of the state employment relations board	1308
utilized by the state personnel board of review in the exercise of	1309
the powers and the performance of the duties and functions of the	1310
state personnel board of review;	1311
(6) Confidential employees;	1312
(7) Management level employees;	1313
(8) Employees and officers of the courts, assistants to the	1314
attorney general, assistant prosecuting attorneys, and employees	1315
of the clerks of courts who perform a judicial function;	1316
(9) Employees of a public official who act in a fiduciary	1317
capacity, appointed pursuant to section 124.11 of the Revised	1318
Code;	1319
(10) Supervisors;	1320
(11) Students whose primary purpose is educational training,	1321
including graduate assistants or associates, residents, interns,	1322
or other students working as part-time public employees less than	1323
fifty per cent of the normal year in the employee's bargaining	1324
unit;	1325
(12) Employees of county boards of election;	1326
(13) Seasonal and casual employees as determined by the state	1327

- (1) Employees of school districts who are department

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 chairpersons or consulting teachers shall not be deemed

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 supervisors;
- (2) With respect to members of a police or fire department, 1363 no person shall be deemed a supervisor except the chief of the 1364 department or those individuals who, in the absence of the chief, 1365 are authorized to exercise the authority and perform the duties of 1366 the chief of the department. Where prior to June 1, 1982, a public 1367 employer pursuant to a judicial decision, rendered in litigation 1368 to which the public employer was a party, has declined to engage 1369 in collective bargaining with members of a police or fire 1370 department on the basis that those members are supervisors, those 1371 members of a police or fire department do not have the rights 1372 specified in this chapter for the purposes of future collective 1373 bargaining. The state employment relations board shall decide all 1374 disputes concerning the application of division (F)(2) of this 1375 section. 1376
- (3) With respect to faculty members of a state institution of
 higher education, heads of departments or divisions are
 supervisors; however, no other faculty member or group of faculty
 members is a supervisor solely because the faculty member or group
 of faculty members participate in decisions with respect to
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 courses, curriculum, personnel, or other matters of academic
 policy;
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- (4) No teacher as defined in section 3319.09 of the Revised

 Code shall be designated as a supervisor or a management level

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 employee unless the teacher is employed under a contract governed

 by section 3319.01, 3319.011, or 3319.02 of the Revised Code and

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 is assigned to a position for which a license deemed to be for

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 administrators under state board rules is required pursuant to

 1389
 section 3319.22 of the Revised Code.

- (G) "To bargain collectively" means to perform the mutual 1391 obligation of the public employer, by its representatives, and the 1392 representatives of its employees to negotiate in good faith at 1393 reasonable times and places with respect to wages, hours, terms, 1394 and other conditions of employment and the continuation, 1395 modification, or deletion of an existing provision of a collective 1396 bargaining agreement, with the intention of reaching an agreement, 1397 or to resolve questions arising under the agreement. "To bargain 1398 collectively" includes executing a written contract incorporating 1399 the terms of any agreement reached. The obligation to bargain 1400 collectively does not mean that either party is compelled to agree 1401 to a proposal nor does it require the making of a concession. 1402
- (H) "Strike" means continuous concerted action in failing to 1403 report to duty; willful absence from one's position; or stoppage 1404 of work in whole from the full, faithful, and proper performance 1405 of the duties of employment, for the purpose of inducing, 1406 influencing, or coercing a change in wages, hours, terms, and 1407 other conditions of employment. "Strike" does not include a 1408 stoppage of work by employees in good faith because of dangerous 1409 or unhealthful working conditions at the place of employment that 1410 are abnormal to the place of employment. 1411
- (I) "Unauthorized strike" includes, but is not limited to, 1412 concerted action during the term or extended term of a collective 1413 bargaining agreement or during the pendency of the settlement 1414 procedures set forth in section 4117.14 of the Revised Code in 1415 failing to report to duty; willful absence from one's position; 1416 stoppage of work; slowdown, or abstinence in whole or in part from 1417 the full, faithful, and proper performance of the duties of 1418 employment for the purpose of inducing, influencing, or coercing a 1419 change in wages, hours, terms, and other conditions of employment. 1420 "Unauthorized strike" includes any such action, absence, stoppage, 1421 slowdown, or abstinence when done partially or intermittently, 1422

whether during or after the expiration of the term or extended 1423 term of a collective bargaining agreement or during or after the 1424 pendency of the settlement procedures set forth in section 4117.14 1425 of the Revised Code.

- (J) "Professional employee" means any employee engaged in 1427 work that is predominantly intellectual, involving the consistent 1428 exercise of discretion and judgment in its performance and 1429 requiring knowledge of an advanced type in a field of science or 1430 learning customarily acquired by a prolonged course in an 1431 institution of higher learning or a hospital, as distinguished 1432 from a general academic education or from an apprenticeship; or an 1433 employee who has completed the courses of specialized intellectual 1434 instruction and is performing related work under the supervision 1435 of a professional person to become qualified as a professional 1436 employee. 1437
- (K) "Confidential employee" means any employee who works in 1438 the personnel offices of a public employer and deals with 1439 information to be used by the public employer in collective 1440 bargaining; or any employee who works in a close continuing 1441 relationship with public officers or representatives directly 1442 participating in collective bargaining on behalf of the employer. 1443
- (L) "Management level employee" means an individual who 1444 formulates policy on behalf of the public employer, who 1445 responsibly directs the implementation of policy, or who may 1446 reasonably be required on behalf of the public employer to assist 1447 in the preparation for the conduct of collective negotiations, 1448 administer collectively negotiated agreements, or have a major 1449 role in personnel administration. Assistant superintendents, 1450 principals, and assistant principals whose employment is governed 1451 by section 3319.02 of the Revised Code are management level 1452 employees. With respect to members of a faculty of a state 1453 institution of higher education, no person is a management level 1454

As Reported by the House State Government and Elections Committee

adopted under one or more of those sections, violates any	1485
provision of the Ohio Constitution; and over any claim asserting	1486
that any action taken pursuant to those sections by the Governor	1487
or the nonprofit corporation formed under section 187.01 of the	1488
Revised Code violates any provision of the Ohio Constitution or	1489
any provision of the Revised Code. Any such claim shall be filed	1490
as otherwise required by the Court's rules of practice not later	1491
than the sixtieth day after the effective date of this act. If any	1492
claim over which the Supreme Court is granted exclusive, original	1493
jurisdiction by this section is filed in any lower court, the	1494
claim shall be dismissed by the court on the ground that the court	1495
lacks jurisdiction to review it.	1496

Section 4. Section 145.012 of the Revised Code is presented 1497 in this act as a composite of the section as amended by both Am. 1498 Sub. H.B. 1 and Sub. S.B. 79 of the 128th General Assembly. The 1499 General Assembly, applying the principle stated in division (B) of 1500 section 1.52 of the Revised Code that amendments are to be 1501 harmonized if reasonably capable of simultaneous operation, finds 1502 that the composite is the resulting version of the section in 1503 effect prior to the effective date of the section as presented in 1504 this act. 1505

Section 5. The Director of Development, in consultation with 1506 the Director of Budget and Management, shall find within the 1507 Department of Development's total unexpended and unencumbered 1508 fiscal year 2011 General Revenue Fund appropriation an amount not 1509 to exceed \$1,000,000 in order to establish and operate the 1510 JobsOhio corporation established in Chapter 187. of the Revised 1511 Code. The Director of Development shall identify appropriation 1512 items within the General Revenue Fund that are to be reduced for 1513 this purpose, and any reduction in appropriations to these items 1514

Sub. H. B. No. 1 As Reported by the House State Government and Elections Committee	Page 51
pursuant to this section shall not collectively exceed \$1,000,000.	1515
The amounts identified by the Director are hereby appropriated in	1516
General Revenue Fund appropriation item 195527, JobsOhio, for	1517
transition and start-up costs of the JobsOhio corporation. Nothing	1518
in this section shall be construed as increasing or decreasing the	1519
Department of Development's total fiscal year 2011 General Revenue	1520
Fund appropriation.	1521
Section 6. Sections 1, 2, 3, 4, 5, and 6 of this act are not	1522
subject to the referendum because they are or they relate to an	1523
appropriation for current expenses within the meaning of Ohio	1524
Constitution, Article II, Section 1d, and section 1.471 of the	1525
Revised Code, and therefore those sections take effect immediately	1526
when this act becomes law.	1527