UPDATED VERSION[°]

Ohio Legislative Service Commission

Bill Analysis

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Am. Sub. H.B. 483[*]

130th General Assembly
(As Passed by the General Assembly)

Reps. Amstutz, Sprague, McGregor, Grossman, Hackett, McClain, Sears, Stebelton, Wachtmann, Batchelder

Sens. Bacon, Burke, Coley, Faber, Oelslager, Peterson

Effective date: September 15, 2014; appropriations effective June 16, 2014; certain provisions effective on other dates; contains item vetoes

TABLE OF CONTENTS

This analysis is arranged by state agency, beginning with the Department of Administrative Services and continuing in alphabetical order. Items that do not directly involve an agency are located under the agency that has regulatory authority over the item, or otherwise deals with the subject matter. At the end of the analysis are Local Government and General Government categories. The General Government category includes items that affect multiple agencies, items that affect the state but do not fall under any agency, and items that affect both state and local government.

Within each agency and category, a summary of the items appears first (in the form of dot points), followed by a discussion of their content and operation. Items generally are presented in the order in which they appear in the Revised Code.

[°] This version reflects a Revised Code number change from R.C. 4121.443 to 4121.447.

[*] This final analysis does not address appropriations, fund transfers, and similar provisions. See the Legislative Service Commission's Comparison Document, which includes Fiscal Year 2014 to Fiscal Year 2015 appropriation line item adjustments, for analysis of those provisions.

DEPARTMENT OF ADMINISTRATIVE SERVICES

Official public notice website

- Renames the state public notice website the official public notice website, and places responsibility to operate and maintain the website on the Ohio trade association that represents the majority of newspapers of general circulation, rather than on the Office of Information Technology.

- Requires that all notices or advertisements that are required by law to be published in a newspaper or in a daily law journal also be posted on the official public notice website by the publisher of the newspaper or journal.

- Authorizes the operator of the official public notice website to charge a fee for enhanced search and customized content delivery features.

- Revises and eliminates some of the existing requirements for maintaining and operating the official public notice website.

- Requires the operator to provide access to the official public notice website to Ohio newspaper or daily law journal publishers for the posting of notices and advertisements at no cost, or for a reasonable, uniform fee for the service.

- Specifies that an error in a notice or advertisement posted on the official public notice website, or a temporary outage of the website, does not make publication defective, so long as publication in the newspaper or daily law journal is correct.

- Prohibits the website from containing any political publications or political advertising.

- Requires a newspaper publisher to post legal advertisements, notices, and proclamations on the newspaper's Internet website, if the newspaper has one.

- Prohibits the publisher from charging for that posting if the legal advertisement, notice, or proclamation is required by law to be published in a newspaper of general circulation.

- Changes some of the second, abbreviated notice or advertisement publication requirements that a state agency or political subdivision must meet to eliminate further newspaper publications.

- Requires a newspaper publisher to post a second, abbreviated notice or advertisement on the official public notice website at no additional cost.

Disability separation reinstatement

- Extends the deadline for the reinstatement, of a person holding an office or position in the classified service, who has been separated from the service due to injury or disability, to within 60 days after the person submits a written application for reinstatement.

Sale of excess or surplus supplies

- Permits the Director of Administrative Services to dispose of excess or surplus supplies to the general public by sale, in addition to the continuing authority to dispose of those supplies to the general public by auction, sealed bid, or negotiation.

Public construction "prompt pay" law

- Removes construction managers from the definition of "principal contractor" for purposes of the public construction "prompt pay" law.

Cybersecurity

- Repeals the Cybersecurity, Education, and Economic Development Council.

- Requires the Office of Information Technology generally to assume the Council's duties by reviewing and making recommendations for improving the state's

cybersecurity operations and assisting state efforts to grow the cybersecurity industry in Ohio.

Official public notice website

(R.C. 125.182)

The act renames the state public notice website the official public notice website and requires an Ohio trade association that represents the majority of newspapers of general circulation, instead of the Office of Information Technology (OIT) or its contractor, to operate and maintain the official public notice website. The website contains notices and advertisements posted by state agencies and political subdivisions that are authorized by law to follow the abbreviated form[1] of publishing them, in order to eliminate additional newspaper publications required by law. The state public notice website was created by H.B. 153 of the 129th General Assembly and was operated by OIT under that act.

Under the act, not later than March 14, 2015, in all cases in which a notice or advertisement is required by a section of the Revised Code or an administrative rule to be published in a newspaper of general circulation, or in a daily law journal as required by continuing law,[2] the notice or advertisement also must be posted on the official public notice website by the publisher of the newspaper or journal.

The act authorizes the operator of the official public notice website to charge a fee for enhanced search and customized content delivery features, but no fee may be charged to a person that accesses the website to view notices or advertisements or to perform searches. Under prior law, the operator could not charge a fee to a person who accessed, searched, or otherwise used the website.

The act eliminates the requirement that the operator of the website bear the expense of maintaining the website domain name. The act also eliminates the requirements that the operator (1) devise and display on the website a form that may be downloaded and used to request publication of a notice on the website, (2) enable responsible parties to submit notices and requests for their publication, (3) maintain the website so that it will not infringe legally protected interests, and (4) submit a status report to the Secretary of State twice annually that demonstrates compliance with statutory requirements governing public notices.

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[1] R.C. 7.16.

[2] R.C. 2701.09, not in the act.

The act requires the website's operator to provide access to the website to the publisher of any Ohio newspaper or daily law journal that qualifies under the Revised Code to publish notices and advertisements, for the posting of notices and advertisements at no cost, or for a reasonable, uniform fee for the service. The operator also must provide, if requested, a regularly scheduled feed or similar data transfer to DAS of notices and advertisements posted on the website. The operator cannot be required to provide the feed or data transfer more often than once every business day.

The act modifies the requirement that the website be fully accessible at all times, by adding the exception that the website may not be accessible during maintenance or acts of God outside the operator's control.

Under the act, an error in a notice or advertisement posted on the website, or a temporary website outage or service interruption preventing the posting or display of a notice or advertisement on the website, does not constitute a defect in making legal publication of the notice or advertisement. Publication requirements are considered met if the notice or advertisement published in the newspaper or daily law journal is correct.

The act prohibits the official public notice website from containing any political publications or political advertising, for example, political publications for or against a candidate, for or against an issue, or other political advertising, as defined in continuing law.[3]

The publisher of a newspaper or of a daily law journal that maintains a website must include on its website a link to the official public notice website.

Legal advertisements, notices, and proclamations

(R.C. 7.10)

Continuing law requires all legal advertisements, notices, and proclamations to be printed in a newspaper of general circulation and on the newspaper's Internet website, if the newspaper has one. The act specifies that it is the newspaper publisher who must post them on the newspaper's Internet website, if the newspaper has one. The act prohibits a newspaper publisher from charging for posting on the newspaper's Internet website, legal advertisements, notices, and proclamations that are required by law to be published in a newspaper of general circulation.

[3] R.C. 3517.20(A)(1)(a) to (c).

Continuing law specifies the format and type size for legal advertising. The act applies the specifications to legal advertising appearing in print, implying that the specifications do not apply to such advertising on a website.

Abbreviated form of publishing notices or advertisements

(R.C. 7.16)

Under continuing law, a state agency or political subdivision using the abbreviated form of publishing notices or advertisements must post the second, abbreviated notice or advertisement on the official public notice website. The act requires the publisher of the newspaper in which a notice or advertisement was first published to do the website posting at no additional cost. The act eliminates the requirements that the second, abbreviated notice or advertisement be published on the newspaper's Internet website, if the newspaper has one, and that a notice or advertisement include the newspaper's and state agency's or political subdivision's Internet addresses if the notice or advertisement is posted on those websites.

Disability separation reinstatement

(R.C. 124.32)

The act extends the deadline for the reinstatement of a person holding an office or position in the classified service, who has been separated from the service due to injury or physical or psychiatric disability, to within 60 days after the person submits a written application for reinstatement. Under prior law, an appointing authority was required to reinstate the person within 30 days after the person had submitted the application.

Continuing law requires that a person who has been separated from service due to injury or physical or psychiatric disability must be reinstated in the same office held or in a similar position to that held at the time of separation if the application for reinstatement is filed within two years from the date of separation, and if the person passes an examination made by certain specified medical professionals.

Sale of excess or surplus supplies

(R.C. 125.13)

The act permits the Director of Administrative Services to dispose of state agencies' excess or surplus supplies to the general public by sale, in addition to the continuing authority to dispose of those supplies to the general public by auction, sealed bid, or negotiation. Under continuing law, when supplies have been determined to be excess or surplus and the Director takes control of the supplies, the Director must

generally dispose of those supplies in a specific order of priority as follows: (1) to state agencies, (2) to state-supported or state-assisted institutions of higher education, (3) to tax-supported agencies, municipal corporations, or other political subdivisions, private fire companies, or private, nonprofit emergency medical service organizations, (4) to nonpublic elementary and secondary schools chartered by the State Board of Education, and (5) to the general public.

The act also specifies that the Director can adopt rules governing the disposal of surplus and excess supplies in the Director's control by sale, in addition to the continuing law authority to adopt rules regarding disposing of those supplies by public auction, sealed bid, or negotiation.

Public construction "prompt pay" law

(R.C. 153.56)

With respect to public improvement projects of the state or any political subdivision, district, institution, or other agency of the state (other than the Department of Transportation), continuing law provides a process to be followed by any person that has performed work or furnished materials but has not been paid by the principal contractor or design-build firm after completion of the contract. The act modifies the definition of "principal contractor" for purposes of this law by removing construction managers from the definition.

Repeal Cybersecurity, Education, and Economic Development Council

(R.C. 121.92 (repealed) and 125.18)

The act repeals the Cybersecurity, Education, and Economic Development Council, and requires the Office of Information Technology generally to assume the Council's duties. To this end, the act requires the Office (1) to regularly review and make recommendations regarding improving the infrastructure of the state's cybersecurity operations with existing resources and through partnerships between government, business, and institutions of higher education, and (2) to assist, as needed, with general state efforts to grow the cybersecurity industry in Ohio.

- Establishes database review and criminal records check requirements for self-employed providers seeking or holding a community-based long-term care services certificate, contract, or grant from the Ohio Department of Aging (ODA) or its designee.

- Provides that a consumer of community-based long-term care services provided under an ODA-administered program is responsible for the database review and criminal records check if the consumer, as the employer of record, directs the provider in providing the services to the consumer.

Community-based long-term care certificates, contracts, and grants

(R.C. 173.381 (primary), 109.572, 173.38, 173.391, 173.392, and 5164.34)

Continuing law prohibits the Ohio Department of Aging (ODA) from paying a provider of community-based long-term care services available under an ODA-administered program unless the provider is certified by, has a contract with, or has a grant from ODA or its designee to provide the services.[4] The act establishes database review and criminal records check requirements for a self-employed provider who seeks such a certificate, contract, or grant. The act also authorizes ODA to adopt rules requiring self-employed providers who have been issued or awarded such a certificate, contract, or grant, other than any classes of such self-employed providers the rules exempt, to undergo the database reviews and criminal records checks at times specified in the rules. The requirements do not apply to self-employed providers who are subject to the database review and criminal records check requirements applicable to individuals applying for employment with, or employed by, home health agencies. The act defines "self-employed provider" as a provider of community-based long-term care services available under an ODA-administered program who works for the provider's self and has no employees.

Information to be given to applicant or bidder

At the time a self-employed provider initially applies or bids for a certificate, contract, or grant, ODA or its designee is required to inform the provider that a database review will be conducted to determine whether ODA or its designee is prohibited from issuing or awarding the certificate, contract, or grant to the provider.

[4] R.C. 173.39, not in the act.

At the same time, ODA or its designee also must inform the self-employed provider about the criminal records check requirement.

Database review

The database review requirements consist of ODA or its designee determining whether a self-employed provider is included in any of the following:

(1) The excluded parties list system operated by the U.S. General Services Administration (GSA) and available at the federal website known as the System for Award Management;

(2) The list of excluded individuals and entities operated by the Office of Inspector General (OIG) in the U.S. Department of Health and Human Services;

(3) The registry of MR/DD employees operated by the Ohio Department of Developmental Disabilities (ODODD);

(4) The Internet-based sex offender and child-victim offender database operated by the Bureau of Criminal Identification and Investigation (BCII);

(5) The Internet-based database of inmates operated by the Ohio Department of Rehabilitation and Correction (ODRC);

(6) The state nurse aide registry operated by the Ohio Department of Health (ODH);

(7) Any other database, if any, ODA is permitted to specify in rules.

The act requires ODA and its designee to refuse to issue or award a certificate, contract, or grant to a self-employed provider, and (if ODA adopts rules requiring a provider holding a certificate, contract, or grant to undergo a database review) to revoke or terminate a provider's certificate, contract, or grant if a database review reveals any of the following:

(1) The self-employed provider is included in GSA's excluded parties list system, OIG's list of excluded individuals and entities, ODODD's registry of MR/DD employees, BCII's Internet-based sex offender and child-victim offender database, or ODRC's Internet-based database of inmates;

(2) There is in ODH's state nurse aide registry a statement detailing findings by the ODH Director that the self-employed provider neglected or abused a long-term care facility or residential care facility resident or misappropriated property of such a resident;

(3) The self-employed provider is included in one or more of the other databases that ODA may specify in rules and the rules require ODA and its designee to refuse to issue or award a certificate, contract, or grant to the provider and to revoke or terminate the provider's certificate, contract, or grant.

Criminal records check

Unless a self-employed provider is found by a database review to be ineligible for a certificate, contract, or grant, ODA or its designee is required to request that the BCII Superintendent conduct a criminal records check of the provider as a condition of ODA or its designee issuing or awarding, or (if ODA adopts rules requiring a provider holding a certificate, contract, or grant to undergo a criminal records check) not revoking or terminating, the certificate, contract, or grant. If a self-employed provider does not present proof of having been an Ohio resident for the five-year period immediately before the date the criminal records check is requested or provide evidence that within that five-year period the BCII Superintendent has requested information about the provider from the Federal Bureau of Investigation (FBI) in a criminal records check, ODA or its designee must request that the BCII Superintendent obtain information from the FBI as part of the criminal records check. Even if a self-employed provider presents proof of having been an Ohio resident for the five-year period, ODA or its designee may request that the BCII Superintendent include information from the FBI in the criminal records check.

ODA or its designee is required to (1) provide to a self-employed provider a copy of the BCII criminal records check form and the BCII fingerprint impression sheet, (2) obtain the completed form and sheet from the provider, and (3) forward the completed form and sheet to the BCII Superintendent. ODA or its designee must pay to BCII the fee for conducting a criminal records check and may charge a self-employed provider a fee that does not exceed the amount ODA or its designee pays to BCII.

The act requires ODA and its designee to refuse to issue or award a certificate, contract, or grant to a self-employed provider, and (if ODA adopts rules requiring a provider holding a certificate, contract, or grant to undergo a criminal records check) to revoke or terminate a provider's certificate, contract, or grant, if either of the following applies:

(1) The self-employed provider, after being provided a copy of the BCII criminal records check form and the BCII fingerprint impression sheet, fails to complete the form or provide the provider's fingerprint impressions on the sheet;

(2) Unless the self-employed provider meets standards ODA is to specify in rules, the provider is found by the criminal records check to have been convicted of,

pleaded guilty to, or been found eligible for intervention in lieu of conviction for a disqualifying offense.

The following are the disqualifying offenses:

(1) Cruelty to animals (R.C. 959.13); cruelty against a companion animal (R.C. 959.131); aggravated murder (R.C. 2903.01); murder (R.C. 2903.02); voluntary manslaughter (R.C. 2903.03); involuntary manslaughter (R.C. 2903.04); reckless homicide (R.C. 2903.041); felonious assault (R.C. 2903.11); aggravated assault (R.C. 2903.12); assault (R.C. 2903.13); permitting child abuse (R.C. 2903.15); failing to provide for a functionally impaired person (R.C. 2903.16); aggravated menacing (R.C. 2903.21); menacing by stalking (R.C. 2903.211); menacing (R.C. 2903.22); patient abuse or neglect (R.C. 2903.34); patient endangerment (R.C. 2903.341); kidnapping (R.C. 2905.01); abduction (R.C. 2905.02); criminal child enticement (R.C. 2905.05); extortion (R.C. 2905.11); coercion (R.C. 2905.12); trafficking in persons (R.C. 2905.32); unlawful conduct with respect to documents (R.C. 2905.33); rape (R.C. 2907.02); sexual battery (R.C. 2907.03); unlawful sexual conduct with a minor (R.C. 2907.04); gross sexual imposition (R.C. 2907.05); sexual imposition (R.C. 2907.06); importuning (R.C. 2907.07); voyeurism (R.C. 2907.08); public indecency (R.C. 2907.09); compelling prostitution (R.C. 2907.21); promoting prostitution (R.C. 2907.22); procuring (R.C. 2907.23); soliciting or soliciting after a positive HIV test (R.C. 2907.24); prostitution or prostitution after a positive HIV test (R.C. 2907.25); disseminating matter harmful to juveniles (R.C. 2907.31); pandering obscenity (R.C. 2907.32); pandering obscenity involving a minor (R.C. 2907.321); pandering sexually oriented matter involving a minor (R.C. 2907.322); illegal use of a minor in nudity-oriented material or performance (R.C. 2907.323); deception to obtain matter harmful to juveniles (R.C. 2907.33); aggravated arson (R.C. 2909.02); arson (R.C. 2909.03); disrupting public service (R.C. 2909.04); support of terrorism (R.C. 2909.22); terroristic threats (R.C. 2909.23); terrorism (R.C. 2909.24); aggravated robbery (R.C. 2911.01); robbery (R.C. 2911.02); aggravated burglary (R.C. 2911.11); burglary or trespass in a habitation when a person is present or likely to be present (R.C. 2911.12); breaking and entering (R.C. 2911.13); theft (R.C. 2913.02); unauthorized use of a vehicle (R.C. 2913.03); unauthorized use of property; unauthorized use of computer, cable, or telecommunication property; unauthorized use of LEADS; or unauthorized use of OHLEG (R.C. 2913.04); telecommunications fraud (R.C. 2913.05); passing bad checks (R.C. 2913.11); misuse of credit cards (R.C. 2913.21); forgery or forging identification cards (R.C. 2913.31); criminal simulation (R.C. 2913.32); Medicaid fraud (R.C. 2913.40); acts constituting prima-facie evidence of purpose to defraud (R.C. 2913.41); tampering with records (R.C. 2913.42); securing writings by deception (R.C. 2913.43); personating an officer (R.C. 2913.44); unauthorized display of emblems related to law enforcement on motor vehicles (R.C. 2913.441); defrauding creditors (R.C. 2913.45); illegal use of Supplemental Nutrition Assistance Program benefits or WIC program benefits (R.C.

2913.46); insurance fraud (R.C. 2913.47); Workers' Compensation fraud (R.C. 2913.48); identity fraud (R.C. 2913.49); receiving stolen property (R.C. 2913.51); inciting to violence (R.C. 2917.01); aggravated riot (R.C. 2917.02); riot (R.C. 2917.03); inducing panic (R.C. 2917.31); unlawful abortion (R.C. 2919.12); unlawful abortion (on a minor) (R.C. 2919.121); unlawful distribution of an abortion-inducing drug (R.C. 2919.123); endangering children (R.C. 2919.22); interference with custody (R.C. 2919.23); contributing to unruliness or delinquency (R.C. 2919.24); domestic violence (R.C. 2919.25); intimidation (R.C. 2921.03); perjury (R.C. 2921.11); tampering with evidence (R.C. 2921.12); falsification (R.C. 2921.13); compounding a crime (R.C. 2921.21); disclosure of confidential information (R.C. 2921.24); obstructing justice (R.C. 2921.32); assaulting a police dog, horse, or assistance dog (R.C. 2921.321); escape (R.C. 2921.34); aiding escape or resistance to authority (R.C. 2921.35); prohibited conveying of certain items onto property of state facilities (R.C. 2921.36); impersonation of certain officers (R.C. 2921.51); carrying concealed weapons (R.C. 2923.12); illegal conveyance or possession of a deadly weapon or dangerous ordnance in school safety zone or illegal possession of an object indistinguishable from a firearm in a school safety zone (R.C. 2923.122); illegal conveyance, possession, or control of a deadly weapon or dangerous ordnance in a courthouse (R.C. 2923.123); having weapons while under disability (R.C. 2923.13); improperly discharging firearm at or into habitation or school safety zone (R.C. 2923.161); discharge of firearm on or near prohibited premises (R.C. 2923.162); improperly furnishing firearms to a minor (R.C. 2923.21); engaging in a pattern of corrupt activity (R.C. 2923.32); criminal gang activity (R.C. 2923.42); corrupting another with drugs (R.C. 2925.02); trafficking (R.C. 2925.03); illegal manufacture of drugs or cultivation of marihuana (R.C. 2925.04); illegal assembly or possession of chemicals used to manufacture a controlled substance (R.C. 2925.041); funding of drug or marihuana trafficking (R.C. 2925.05); illegal administration or distribution of anabolic steroids (R.C. 2925.06); sale or use of drugs not approved by the U.S. Food and Drug Administration (R.C. 2925.09); drug possession (R.C. 2925.11); permitting drug abuse (R.C. 2925.13); use, possession, or sale of drug paraphernalia (R.C. 2925.14); illegal use or possession of marihuana drug paraphernalia (R.C. 2925.141); deception to obtain a dangerous drug (R.C. 2925.22); illegal processing of drug documents (R.C. 2925.23); tampering with drugs (R.C. 2925.24); illegal dispensing of drug samples (R.C. 2925.36); unlawful purchase or receipt of a pseudoephedrine product (R.C. 2925.55); unlawful sale of a pseudoephedrine product (R.C. 2925.56); ethnic intimidation (R.C. 2927.12); or adulteration of food (R.C. 3716.11);

(2) A violation of the former offense of child stealing as that offense existed before July 1, 1996 (former R.C. 2905.04);

(3) A violation of the former offense of felonious sexual penetration (former R.C. 2907.12);

(4) A violation of conspiracy, attempt to commit an offense, or complicity in the commission of an offense when the underlying offense that is the object of the conspiracy, attempt, or complicity is one of the offenses listed above;

(5) A violation of an existing or former municipal ordinance or law of Ohio, any other state, or the United States that is substantially equivalent to any of the offenses listed above.

Release of criminal records check report

The act provides that the report of a criminal records check of a self-employed provider is not a public record and is not to be made available to any person other than the following:

(1) The self-employed provider or the provider's representative;

(2) ODA, its designee, or a representative of ODA or its designee;

(3) The Medicaid Director and staff who are involved in the administration of the Medicaid program if the self-employed provider is to provide, or provides, community-based long-term care services under a component of the Medicaid program that ODA administers;

(4) A court, hearing officer, or other necessary individual involved in a case dealing with (a) a refusal to issue or award a certificate, contract, or grant to the self-employed provider, (b) a revocation or termination of the provider's certificate, contract, or grant, or (c) a civil or criminal action regarding an ODA-administered program.

Tort or other civil action for damages

The act provides that, in a tort or other civil action for damages that is brought as the result of an injury, death, or loss to person or property caused by a self-employed provider, both of the following apply:

(1) If ODA or its designee, in good faith and reasonable reliance on the report of a criminal records check, issued or awarded a certificate, contract, or grant to the self-employed provider or did not revoke or terminate the provider's certificate, contract, or grant, ODA and its designee are not to be found negligent solely because of its reliance on the report, even if information in the report is determined later to have been incomplete or inaccurate.

(2) If ODA or its designee in good faith issued or awarded a certificate, contract, or grant to the self-employed provider or did not revoke or terminate the provider's

certificate, contract, or grant because the provider meets standards specified in ODA's rules, ODA and its designee are not to be found negligent solely because the provider has been convicted of, pleaded guilty to, or been found eligible for intervention in lieu of conviction for a disqualifying offense.

Exemption from criminal records check for Medicaid providers

The Ohio Department of Medicaid is authorized by continuing law to require that a provider submit to a criminal records check as a condition of obtaining or maintaining a Medicaid provider agreement. The act provides that a self-employed provider subject to a database review or criminal records check as part of obtaining or maintaining a certificate, contract, or grant from ODA or its designee is not required to undergo an additional criminal records check to obtain or maintain a Medicaid provider agreement. As discussed above, the Medicaid Director and staff may obtain a copy of the criminal records check that ODA or its designee requests.

Consumer acting as responsible party

(R.C. 173.38)

Continuing law requires a person to undergo a database review and BCII criminal records check when under final consideration for employment in a direct care position with, or referred by an employment service for such a position to, an area agency on aging (AAA), PASSPORT administrative agency (PAA), or provider or subcontractor of community-based long-term care services available under an ODA-administered program. ODA is authorized to require a person to undergo a database review and criminal records check when the person is employed in such a position or working in such a position due to being referred by an employment service. The database review must be conducted by, and the criminal records check must be requested by, the AAA, PAA, provider, or subcontractor that is hiring, or employs, the person or the employment service that referred, or refers, the person to the AAA, PAA, provider, or subcontractor.

The act requires a consumer of community-based long-term care services available under an ODA-administered program to conduct the database review and request the criminal records check if the consumer, as the employer of record, is to direct the person in the provision of the services. If ODA's rules require a person already employed in such a position to undergo a database review and criminal records check, the consumer is to conduct the database review and request the criminal records check if the consumer, as the employer of record, directs the person in the provision of the services. However, an employment service may conduct the database review and

request the criminal records check if the employment service refers, or referred, the person to the consumer for the position.

The Medicaid Director and staff who are involved in the administration of the Medicaid program are permitted by continuing law to receive the results of a criminal records check conducted of a person under final consideration for employment in a direct care position with, employed in such a position by, or referred by an employment service for such a position to, a provider or subcontractor of community-based long-term care services available under an ODA-administered program if the provider or subcontractor also provides home and community-based services under a Medicaid waiver program administered by the Ohio Department of Medicaid. The act permits the Medicaid Director and staff to receive in addition, the results of a criminal records check requested by a consumer of community-based long-term care services available under an ODA-administered program.

DEPARTMENT OF AGRICULTURE

Dangerous wild animals and restricted snakes

- Revises care and housing requirements for restricted snake possession or propagation permit holders by eliminating the use of the standards adopted by the Zoological Association of America that were in effect on September 5, 2012, and instead establishing both of the following in statute:

  --Enclosure requirements specifically for venomous restricted snakes and distinct enclosure requirements specifically for constricting restricted snakes;

  --Specific requirements governing temperature, bedding, materials used in the construction of enclosures, and locking or latching of enclosures.

- Revises an exemption from the Dangerous Wild Animal and Restricted Snake Law for a person who has been issued a rehabilitation or scientific collection permit under the Hunting and Fishing Law by specifying that the exemption only applies if the permit lists each specimen of wild animal that is a dangerous wild animal or restricted snake in the person's possession.

Amusement ride inspection fees

- Increases the annual inspection and reinspection fee for a roller coaster that is not a kiddie ride from $950 to $1,200.

- Requires the Department of Agriculture to charge an annual inspection and reinspection per-ride fee of $105 for inflatable rides, both kiddie and adult.

- Stipulates in statute what constitutes a kiddie ride by doing all of the following:

  --Defining it to mean an amusement ride designed for use by children under 13 years of age rather than designed primarily for use by children up to 12 years of age as defined in rule;

  --Adding that the children are unaccompanied by another person;

  --Adding that it includes a roller coaster that is not more than 40 feet in elevation at any point on the ride;

  --Correspondingly removing the requirement that "kiddie rides" be defined by rule.

- Clarifies that the annual $5 inspection and reinspection fee for go karts is calculated per kart.

Dangerous wild animals and restricted snakes

Restricted snake care and housing requirements

(R.C. 935.12)

The act revises care and housing requirements for restricted snake possession or propagation permit holders by eliminating the use of the standards adopted by the Zoological Association of America that were in effect on September 5, 2012, and instead establishing specific standards in statute. The statutory standards are as follows:

(1) An enclosure must be provided with an environment or devices that allow for temperature regulation necessary to ensure the well-being of the snakes. The environment or devices must be noninjurious and may include hot rocks, artificial lights, natural sunlight, and heat strips.

(2) An enclosure must be provided with noninjurious substrate such as newspaper, processed wood shavings, rocks, sand, indoor-outdoor carpet, or other equivalent material. The substrate must be disposed of or sanitized at intervals sufficient to ensure the snakes' health.

(3) An enclosure must be constructed in a manner that offers enough space and complexity to allow free movement and access to varying thermal gradients as follows:

--If a snake is a venomous restricted snake, the perimeter of the enclosure must be at least the length of the snake and, for each additional snake permanently housed in an enclosure, the perimeter must be increased by 10% of the perimeter of an enclosure that permanently houses only one snake. The height of the enclosure must be not less than five inches if the snake lives in a primarily terrestrial habitat and not less than 12 inches if the snake lives in a primarily arboreal habitat.

--If a snake is a constricting restricted snake, the length of the enclosure must be at least 40% of the length of the snake, its width must not be less than two feet, its height must be at least 12 inches, and, for each additional snake permanently housed in an enclosure, its length must be increased by 10% of the length of an enclosure that permanently houses only one snake.

(4) An enclosure must be constructed of material that securely and effectively contains the snakes. The material may include plastic, tempered or laminated glass, wood, or other equivalent material. The enclosure must have surfaces that are nonporous and that can be thoroughly and repeatedly cleaned and disinfected.

(5) The door or lid of an enclosure must have a secure latch or lock attached to the exterior of the enclosure that when latched or locked prevents a snake from leaving the enclosure.

Exemption

(R.C. 935.03)

The act revises an exemption from the Dangerous Wild Animal and Restricted Snake Law for a person who has been issued a permit for the rehabilitation or scientific collection of wild animals under the Hunting and Fishing Law by specifying that the exemption only applies if the permit lists each specimen of wild animal that is a dangerous wild animal or restricted snake in the person's possession.

Amusement ride inspection fees

(R.C. 1711.50 and 1711.53)

The act increases the annual inspection and reinspection fee that the Department of Agriculture must charge for a roller coaster that is not a kiddie ride from $950 to $1,200. It requires the Department to charge an annual inspection and reinspection per-ride fee of $105 for inflatable rides, both kiddie and adult. The act then stipulates in statute what constitutes a kiddie ride by doing all of the following:

(1) Defining it to mean an amusement ride designed for use by children under 13 years of age rather than designed primarily for use by children up to 12 years of age as defined in rule;

(2) Adding that the children are unaccompanied by another person;

(3) Adding that it includes a roller coaster that is not more than 40 feet in elevation at any point on the ride;

(4) Correspondingly removing the requirement that "kiddie rides" be defined by rule.

The act also clarifies that the annual $5 inspection and reinspection fee for go karts is calculated per kart.

ATTORNEY GENERAL

Consumer Sales Practices Act investigations

- Clarifies that the person subpoenaed by the Attorney General (AG) investigating violations of the Consumer Sales Practices Act may file a motion to extend the return day or to modify or quash the subpoena stating good cause.

- Changes the venue for filing the motion to the Court of Common Pleas of Franklin County or any other county in Ohio.

- Changes the venue for the AG to apply for an order compelling compliance with a subpoena to the Court of Common Pleas of Franklin County or any other county in Ohio.

Payment for HIV post-exposure prophylaxis

- Requires the cost of HIV post-exposure prophylaxis provided to a victim of a sex offense as part of a medical examination performed for the purpose of gathering physical evidence to be paid out of the Reparations Fund in the same manner as other examination expenses are paid.

- Requires the hospital or emergency facility performing the examination to accept a flat fee payment for providing HIV post-exposure prophylaxis, and requires the AG to determine a reasonable flat fee payment amount for that purpose.

- Defines "HIV post-exposure prophylaxis" as the administration of medicines to prevent AIDS or HIV infection following exposure to HIV, and specifies that "AIDS" and "HIV" have the same meanings as in the Health Department Law.

License to conduct instant bingo

- Specifies that a properly licensed charitable organization that desires to conduct instant bingo other than at a bingo session at additional locations not identified on the license may apply in writing to the AG for an amended license.

- Requires the application to indicate the additional locations at which the organization desires to conduct instant bingo other than at a bingo session.

School district contracts for online services

- Permits the AG to educate school districts about contracting with any entity that provides students with account-based access to a website or an online service, including e-mail.

Fingerprint database

- Extends the use of the Bureau of Criminal Identification and Investigation's retained applicant fingerprint database to private parties and entities in connection with employment and licensure and criminal record checks.

- Permits the Director of Budget and Management to authorize expenditures to pay for costs associated with the administration of the Medicaid program, including the development and operation of the retained applicant fingerprint database, in response to authorized requests from participating public offices and participating private parties for information from the retained applicant fingerprint database.

Consumer Sales Practices Act – investigatory power of Attorney General

(R.C. 1345.06)

The act clarifies that it is a person subpoenaed by the Attorney General (AG) investigating violations of the Consumer Sales Practices Act who may, within 20 days after a subpoena has been served, file a motion to extend the return day, or to modify or quash the subpoena, stating good cause, and provides that the motion may be filed in the Court of Common Pleas of Franklin County, as in continuing law, or the court of common pleas of any other county in Ohio, instead of the court of common pleas of the county in which the person served resides or has the principal place of business in prior law. The act provides that if a person fails without lawful excuse to obey a subpoena or to produce relevant matter, the AG may apply for an order of compliance to the Court of Common Pleas of Franklin County or the court of common pleas of any other county in Ohio, instead of the court of common pleas of the county in which the person subpoenaed resides or has the principal place of business in prior law.

Payment for HIV post-exposure prophylaxis

(R.C. 2743.191 and 2907.28)

The act requires that when a victim of a sex offense receives a medical examination for the purpose of gathering physical evidence, the cost of any HIV post-exposure prophylaxis provided to the victim as part of the examination must be paid out of the Reparations Fund. The act defines "HIV post-exposure prophylaxis" to mean the administration of medicines to prevent AIDS or HIV infection following exposure to HIV, and defines "AIDS" and "HIV" to have the same meanings as in the Health Department Law. Under continuing law, the cost of a sexual assault examination and

any antibiotics administered as part of the examination are paid from the Reparations Fund.

Further, the act modifies the monthly request for payment that a hospital or emergency facility that performs sexual assault examinations must submit to the AG. Under continuing law, the request must identify the number of sexual assault examinations performed. The act requires the request also to include the number of examinations in which HIV post-exposure prophylaxis was provided.

Under the act, the AG must determine a reasonable flat fee to be paid to a hospital or emergency facility that provides HIV post-exposure prophylaxis as part of a sexual assault examination. The hospital or emergency facility must accept that flat fee as payment in full for any cost incurred in providing the HIV post-exposure prophylaxis. This fee is separate from the flat fee that continuing law requires a hospital or emergency facility to accept for conducting sexual assault examinations and providing antibiotics.

License to conduct instant bingo

(R.C. 2915.08(F))

The act specifies that a properly licensed charitable organization that desires to conduct instant bingo other than at a bingo session at additional locations not identified on its license may apply in writing to the AG for an amended license. The application must indicate the additional locations at which the organization desires to conduct instant bingo other than at a bingo session.

Under continuing law, a license modification application requires an application fee of $250 and must be submitted at least 30 days before the desired change. Continuing law expressly authorizes a licensee to apply for an amended license if the licensee cannot conduct bingo or instant bingo at the location, or on the day of the week or at the time, specified on the license due to circumstances that make it impractical to do so.

School district contracts for online services

(R.C. 3313.351)

The act permits the AG to educate school districts about contracting with any entity that provides students with account-based access to a website or an online service, including e-mail.

Private parties' use of fingerprint database

(R.C. 109.5721)

The act grants any "participating private party," defined as any person or private entity that is allowed to request a criminal records check from the Bureau of Criminal Identification and Investigation (BCII),[5] access to information from the BCII's retained applicant fingerprint database. The retained applicant fingerprint database was established and maintained for the use of participating public offices that require a fingerprint background check to determine eligibility for employment with, licensure by, or approval for adoption by the public office. The act grants a participating private party the same access to and use of the retained applicant fingerprint database as a participating public office and makes a participating private party subject to the rules adopted by the AG governing the operation and maintenance of the database.

Under continuing law, the Superintendent of BCII is required to notify a participating public office that employs, licenses, or approves an individual whose name is in the retained applicant fingerprint database if the individual has been arrested for, convicted of, or pleaded guilty to any criminal offense. The participating public office must use the information in the notification to determine the individual's eligibility for continued employment or licensure. The act requires the Superintendent to provide the same notification to a participating private party and requires the participating private party to use the information in the notification to determine the individual's eligibility for continued employment with or licensure by the participating private party.

Authority to operate fingerprint database

(Section 503.20)

The act authorizes the Superintendent of BCII to operate the retained applicant fingerprint database, in addition to any authority granted under ongoing law, and to take any other actions that the Superintendent determines is necessary, in response to a criminal record check request made by a participating private party. In connection with the request, a participating private party may take any action permitted to be taken by a participating public office and is required to take any action required to be taken by a participating public office.

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[5] Under R.C. 109.572(A)(2) or (3). These parties include, but are not limited to, the chief administrator of a hospice care program, pediatric respite program, or home or adult day-care program, a home health agency, or a Medicaid provider.

The act permits the Director of Budget and Management to authorize expenditures to pay for costs associated with the administration of the Medicaid program, including the development of the retained applicant fingerprint database, in response to authorized requests from participating public offices and participating private parties for information from the retained applicant fingerprint database.

OFFICE OF BUDGET AND MANAGEMENT

Shared services

- Authorizes the Director of Budget and Management to operate a shared services center to consolidate common business functions and transactional processes.

- Specifies that the shared services center may offer services to state agencies and political subdivisions of the state.

- Authorizes the Director to administer a payment card program under which political subdivisions may use a payment card to purchase equipment, materials, supplies, or services in accordance with guidelines issued by the Director.

- Requires that the services provided by the Director be supported by charges to defray the expense of those services.

- Permits a political subdivision to enter into an agreement with a state agency under which the agency performs a function or renders a service for the political subdivision that the political subdivision is otherwise legally authorized to do.

- Permits a state agency to enter into an agreement with a political subdivision under which the political subdivision performs a function or renders a service for the agency that the agency is otherwise legally authorized to do.

Appropriations related to grant reconciliation and close-out

- Permits the director of an agency to request the Director of Budget and Management to authorize additional expenditures in order to return unspent cash to a grantor when, as a result of the reconciliation and close-out process for a grant, an amount of money is identified as unspent and requiring remittance to the grantor.

- Appropriates the additional amounts upon the approval of the Director.

Authority of Director relative to taxable bond funds

- Permits the Director to create a fund in the state treasury for the purpose of receiving proceeds of federally taxable obligations if both of the following apply:

  (1) The application of the proceeds of obligations to a particular project would negatively affect the tax exempt status of the obligations.

  (2) There is no existing fund in the state treasury from which to draw moneys for the project from the proceeds of federally taxable obligations.

- Permits the Director to transfer capital appropriations between the taxable and tax-exempt bond funds within a particular purpose for which the bonds were authorized.

Shared services

(R.C. 9.482, 126.21, and 126.25)

Under the act, the Director of Budget and Management is authorized to operate a shared services center within the Office of Budget and Management for the purpose of consolidating common business functions and transactional processes. The services offered by the shared services center may be provided to any state agency or political subdivision. The Director may also establish and administer payment card programs, similar to those provided for state agencies, that enable political subdivisions to use the card to purchase equipment, materials, supplies, or services in accordance with guidelines issued by the Director. All of these services are to be supported by charges that defray the expense of the services.

Additionally, the act permits a political subdivision to enter into an agreement with a state agency whereby the state agency agrees to exercise any power, perform any function, or render any service for the political subdivision that the political subdivision is otherwise legally authorized to exercise, perform, or render. It also permits a state agency to enter into an agreement with a political subdivision whereby the political subdivision agrees to exercise any power, perform any function, or render any service for the state agency that the state agency is otherwise legally authorized to exercise, perform, or render. Political subdivisions and state agencies may enter into such agreements only when they are otherwise legally authorized to do so.

With respect to the act's provisions on shared services, "state agency" means any organized body, office, agency, institution, or other entity established by the laws of the state for the exercise of any function of state government, including a state institution of higher education as defined in R.C. 3345.011. "Political subdivision" has the same meaning as in the Political Subdivision Tort Liability Law (R.C. 2744.01).

Appropriations related to grant reconciliation and close-out

(Section 503.10)

If, pursuant to the reconciliation and close-out process for a grant received by a state agency, an amount is identified as both unspent and requiring remittance to the grantor, the director of the agency may request the Director of Budget and Management

to authorize additional expenditures to return the unspent cash to the grantor. Upon approval of the Director, the additional amounts are considered appropriated.

Director's authority relative to taxable bond funds

(Sections 630.10 and 630.11 (amending Section 509.80 of H.B. 497 of the 130th General Assembly))

Under ongoing law, the Director may authorize the expenditure or encumbrance of moneys from funds into which proceeds of direct obligations are deposited if either of the following applies:

(1) The application of such moneys to the particular project will not negatively affect any exclusion from federal income tax of the interest on obligations issued to provide moneys to the particular fund.

(2) Moneys for the project will come from the proceeds of federally taxable obligations, the interest on which is not so excluded from federal income tax and which have been authorized and issued on that basis by their issuing authority.

In the event the Director determines that the condition set forth in (1) does not apply, and that there is no existing fund in the state treasury to enable compliance with the condition set forth in (2), the act permits the Director to create a fund in the state treasury for the purpose of receiving proceeds of federally taxable obligations. The Director may establish capital appropriation items in that taxable bond fund that correspond to the preexisting capital appropriation items in the associated tax-exempt bond fund. The Director also may transfer capital appropriations in whole or in part between the taxable and tax-exempt bond funds within a particular purpose for which the bonds have been authorized.

- Entitles each Ohio Casino Control Commission member to an annual salary of $30,000.

Ohio Casino Control commissioner salary

(R.C. 3772.02)

The act entitles each member of the Ohio Casino Control Commission to compensation of $30,000 per year, payable in monthly installments. Under prior law, each member was entitled to compensation of $60,000 per year, payable in monthly installments for the first four years of the Commission's existence. The Commission was created in 2010.

CHEMICAL DEPENDENCY PROFESSIONALS BOARD

- Enables a chemical dependency counselor to add a gambling disorder endorsement on the counselor's license to enable the counselor to address gambling disorders.

- Defines "gambling disorder" as a persistent and recurring maladaptive gambling behavior that is classified in accepted nosologies.

- Modifies the Chemical Dependency Professionals Board's rule-making authority to include rules regarding the endorsement.

- Requires the Board to establish and adjust fees to be charged for issuing an initial endorsement and for renewing the endorsement.

- Prohibits the Board from discriminating against any endorsement holder or applicant for an endorsement because of the individual's race, color, religion, gender, national origin, disability, or age.

- Requires an individual seeking an endorsement to be one or more of certain listed counselors and other medical professionals and to have training in gambling disorders and work or internship experience, with certain exceptions.

- Permits the Board to refuse to issue an endorsement, refuse to renew an endorsement, suspend, revoke, or otherwise restrict an endorsement, or reprimand an individual holding an endorsement for certain enumerated reasons.

- Requires each individual who holds an endorsement to complete continuing education.

- Based on the individual's license, allows an individual holding a valid license issued under the Chemical Dependency Professionals Law and the endorsement to diagnose and treat gambling disorder conditions, and to perform treatment planning.

- Prohibits an individual holding a chemical dependency counselor II license or a chemical dependency counselor III license from practicing as an individual practitioner.

- Updates the Chemical Dependency Professionals Law to account for the ability of a chemical dependency counselor to receive a gambling disorder endorsement.

- Specifies throughout the Chemical Dependency Professional's Law that certified nurse practitioners and clinical nurse specialists can provide supervision for certain assistants and counselors.

Gambling disorder endorsement

(R.C. 4758.01, 4758.02, 4758.06, 4758.16, 4758.20, 4758.21, 4758.23, 4758.24, 4758.26, 4758.28, 4758.29, 4758.30, 4758.31, 4758.35, 4758.36, 4758.48, 4758.50, 4758.51, 4758.60, 4758.62, 4758.63, 4758.64, and 4758.71)

General

The act generally enables a chemical dependency counselor to add a gambling disorder endorsement to the counselor's license to enable the counselor to address gambling disorders, and prohibits a person from representing to the public that the person holds a gambling disorder endorsement unless the person holds a valid endorsement.

To that end, the act defines "gambling disorder" as a persistent and recurring maladaptive gambling behavior that is classified in accepted nosologies.

Authority to diagnose and treat

Based on the individual's license, the act allows an individual holding a valid license issued under the Chemical Dependency Professionals Law and the endorsement to diagnose and treat gambling disorder conditions, and to perform treatment planning.

An individual who holds an independent chemical dependency counselor license and an endorsement can: (1) diagnose and treat gambling disorder conditions, (2) perform treatment planning, assessment, crisis intervention, individual and group counseling, case management, and educational services insofar as those functions relate to gambling disorders, (3) supervise gambling disorder treatment counseling, and (4) refer individuals with other gambling conditions to appropriate sources of help.

An individual who holds a chemical dependency counselor III license and an endorsement can: (1) treat gambling disorder conditions, (2) diagnose gambling disorder conditions under supervision, (3) perform treatment planning, assessment, crisis intervention, individual and group counseling, case management, and educational services insofar as those functions relate to gambling disorders, (4) supervise gambling disorder treatment counseling under supervision, and (5) refer individuals with other gambling conditions to appropriate sources of help.

The supervision described above must be provided by a licensed independent chemical dependency counselor; an individual authorized to practice medicine and surgery or osteopathic medicine and surgery; a licensed psychologist; a certified nurse practitioner or clinical nurse specialist; a registered nurse; or a professional clinical counselor, independent social worker, or independent marriage and family therapist.

An individual holding a chemical dependency counselor III license must not practice as an individual practitioner.

An individual who holds a chemical dependency counselor II license and an endorsement can: (1) treat gambling disorder conditions, (2) perform treatment planning, assessment, crisis intervention, individual and group counseling, case management, and educational services insofar as those functions relate to gambling disorders, and (3) refer individuals having other gambling conditions to appropriate sources of help.

An individual holding a chemical dependency II license must not practice as an individual practitioner.

Rules

The act modifies the rule-making authority of the Chemical Dependency Professionals Board to include rules regarding the endorsement that establish, specify, or provide for all of the following:

(1) Codes of ethical practice and professional conduct for individuals who hold an endorsement;

(2) Good moral character requirements for an individual who seeks or holds an endorsement;

(3) Documents that an individual seeking an endorsement must submit to the Board;

(4) Requirements to obtain the endorsement that are in addition to the other requirements established in the Chemical Dependency Professionals Law;

(5) Requirements for approval of continuing education courses for individuals who hold an endorsement;

(6) Intervention for and treatment of an individual holding an endorsement whose abilities to practice are impaired due to abuse of or dependency on alcohol or other drugs or other physical or mental conditions;

(7) Requirements governing reinstatement of a suspended or revoked endorsement;

(8) Standards for gambling disorder-related compensated work or supervised internship direct clinical experience;

(9) Continuing education requirements for individuals who hold an endorsement;

(10) The number of hours of continuing education that an individual must complete to have an expired endorsement restored;

(11) The duties of a licensed independent chemical dependency counselor who holds the endorsement who supervises a chemical dependency counselor III having the endorsement.

The act prohibits the Board from discriminating against any endorsement holder or applicant for an endorsement because of the individual's race, color, religion, gender, national origin, disability, or age.

Under the act, in accordance with the Board's rules, the Board must establish and adjust fees to be charged for issuing an initial endorsement and for renewing the endorsement. The fees for an endorsement and the renewal of an endorsement may differ for the various types of licenses, certificates, or endorsements, but must not exceed $175 each, unless the Board determines that additional amounts are needed and are approved by the Controlling Board.

Application for endorsement

An individual seeking an endorsement must file with the Chemical Dependency Professionals Board a written application on a form the Board prescribes.

Requirements for issuance

The act requires the Board to issue an endorsement to an individual who meets the following requirements:

(1) Is of good moral character as determined in accordance with rules;

(2) Submits a properly completed application and all other documentation specified in rules;

(3) Pays the fee established for the endorsement;

(4) Meets the requirements to obtain the endorsement as specified in the Chemical Dependency Professionals Law;

(5) Meets any additional requirements specified in the Board's rules.

In reviewing an application, the Board must determine if an applicant's command of the English language and education or experience meet required standards.

Additionally, the act requires an individual seeking an endorsement to be a licensed independent chemical dependency counselor, chemical dependency counselor III, or chemical dependency counselor II.

An individual seeking an endorsement must have at least 30 hours of training in gambling disorders that meet requirements prescribed in the Board's rules. Also, an individual seeking an endorsement must have at least 100 hours of compensated work or supervised internship in gambling disorder direct clinical experience.

Initial endorsement

A licensed independent chemical dependency counselor, chemical dependency counselor III, or chemical dependency counselor II may be issued an initial endorsement without having complied with the 100 hours of compensated work or the supervised internship requirement, but the individual must comply with the requirement before expiration of the initial endorsement. An individual who fails to comply with the requirement is not entitled to renewal of the initial endorsement.

Renewal

An endorsement expires two years after its issuance. The Board must renew an endorsement under the standard renewal procedure if the individual seeking the renewal pays the renewal fee and satisfies the continuing education requirements. The act permits an expired endorsement to be restored if the individual seeking the restoration, not later than two years after the endorsement expires, applies for restoration of the endorsement. The Board then must issue a restored endorsement to the individual if the individual pays the renewal fee and satisfies the continuing education requirements. The Board must not require an individual to take an examination as a condition of having an expired endorsement restored.

Refusal to issue, suspension, or revocation

The Board, in accordance with the Administrative Procedure Act, may refuse to issue an endorsement; refuse to renew an endorsement; suspend, revoke, or otherwise

restrict an endorsement; or reprimand an individual holding an endorsement for one or more of the following reasons:

(1) Violation of any provision of the Chemical Dependency Professionals Law or rules;

(2) Knowingly making a false statement on an application for an endorsement or for renewal, restoration, or reinstatement of an endorsement;

(3) Acceptance of a commission or rebate for referring an individual to a person who holds a license or certificate issued by, or who is registered with, an entity of state government, including persons practicing chemical dependency counseling, alcohol and other drug prevention services, gambling disorder counseling, or fields related to chemical dependency counseling, gambling disorder counseling, or alcohol and other drug prevention services;

(4) Conviction in Ohio or in any other state of any crime that is a felony in Ohio;

(5) Conviction in Ohio or in any other state of a misdemeanor committed in the course of practice as a gambling disorder endorsee;

(6) Inability to practice as a gambling disorder endorsee due to abuse of or dependency on alcohol or other drugs or another physical or mental condition;

(7) Practicing outside the individual's scope of practice;

(8) Practicing without complying with the supervision requirements;

(9) Violation of the code of ethical practice and professional conduct for gambling disorder counseling services adopted by the Board;

(10) Revocation of an endorsement or voluntary surrender of an endorsement in another state or jurisdiction for an offense that would be a violation of the Chemical Dependency Professionals Law.

An individual whose endorsement has been suspended or revoked may apply to the Board for reinstatement after an amount of time the Board determines in rules. The Board may accept or refuse an application for reinstatement. The Board may require an examination for reinstatement of an endorsement that has been suspended or revoked.

Investigations

The Board must investigate alleged irregularities in the delivery of gambling disorder counseling services. As part of an investigation, the Board may issue

subpoenas, examine witnesses, and administer oaths. The Board may receive any information necessary to conduct an investigation that has been obtained in accordance with federal laws and regulations. If the Board is investigating the provision of gambling disorder counseling services to a couple or group, it is not necessary for both members of the couple or all members of the group to consent to the release of information relevant to the investigation.

Continuing education

The act requires each individual who holds an endorsement to complete during the period that the endorsement is in effect not less than six hours of continuing education as a condition of receiving a renewed endorsement. Additionally, an individual whose endorsement has expired must complete the specified continuing education as a condition of receiving a restored endorsement. The Board may waive the continuing education requirements for individuals who are unable to fulfill them because of military service, illness, residence outside the United States, or any other reason the Board considers acceptable.

Updates to Chemical Dependency Professionals Law

The act updates the Chemical Dependency Professionals Law to account for the ability of a chemical dependency counselor to receive a gambling disorder endorsement, including updates to the following provisions:

(1) The definition of "scope of practice" to include the services, methods, and techniques in which and the areas for which a person who holds an endorsement is trained and qualified;

(2) The requirements regarding confidential information to prohibit an individual who holds or has held an endorsement from disclosing any information regarding the identity, diagnosis, or treatment of any of the individual's clients or consumers except for expressly authorized purposes;

(3) The requirement that the Board must comply with a notice of child support default with respect to an endorsement;

(4) The requirement for posting the endorsement at an individual's place of employment;

(5) The ability of a prevention specialist II or prevention specialist I to engage in the practice of prevention services as specified in rules;

(6) The hospital admitting prohibition under the Chemical Dependency Professionals Law, which states that the Law does not authorize an individual who

holds an endorsement to admit a patient to a hospital or require a hospital to allow the individual to admit a patient.

Supervising providers

(R.C. 4758.55, 4758.561, 4758.59, and 4758.61)

The act specifies throughout the Chemical Dependency Professional's Law that certified nurse practitioners and clinical nurse specialists can provide supervision for the following:

(1) A prevention specialist assistant engaging in the practice of alcohol and other drug prevention services;

(2) An independent chemical dependency counselor providing clinical supervision of chemical dependency counseling;

(3) A chemical dependency counselor III diagnosing chemical dependency conditions or providing clinical supervision of chemical dependency counseling;

(4) A chemical dependency counselor assistant performing treatment planning, assessment, crisis intervention, individual and group counseling, case management, and education services as they relate to abuse of or dependency on alcohol and other drugs or referring individuals with nonchemical dependency conditions to appropriate sources of help.

DEPARTMENT OF COMMERCE

Mortgage brokers and loan originators

Testing requirements

- Requires a designated business operations manager of a mortgage broker business to pass a written test developed and approved by the Nationwide Mortgage Licensing System and Registry (NMLS) instead of a written test approved by the Superintendent of Financial Institutions.

- Revises the standard for passing the test to obtain a mortgage loan originator license or a loan originator license.

NMLS reports

- Permits the Superintendent to accept call reports and other reports of condition submitted to the NMLS in lieu of the annual report described in the Second Mortgage Loan Law and Mortgage Brokers Law.

- Requires the Superintendent, instead of the Division of Financial Institutions, to annually publish an analysis of information submitted from second mortgage loan registrants, mortgage broker registrants, and loan originator licensees to the NMLS in addition to the information required by continuing law that is submitted to the Superintendent.

Escrow and monthly payment disclosure form

- Changes the time period within which mortgage brokers and loan originators must deliver a disclosure form to a buyer that describes any property tax escrow and monthly payments of a loan.

- Identifies the specific state and federal forms that fulfill the disclosure form requirement.

Underground Storage Tank Revolving Loan Fund

- Creates the Underground Storage Tank Revolving Loan Fund in the state treasury to be used by the State Fire Marshal to make underground storage tank revolving loans in accordance with ongoing law.

- Specifies that the Fund is to consist of:

    (1) Amounts repaid for underground storage tank revolving loans; and

(2) Under certain circumstances, fines and penalties collected for violations related to petroleum releases and other moneys received by the State Fire Marshal for enforcement actions.

- Permits the transfer of unobligated moneys in the Fund to the Underground Storage Tank Administration Fund if the cash balance in the Underground Storage Tank Administration Fund is insufficient to implement the underground storage tank, corrective action, and installer certification programs.

Roller skating rinks

- Removes the requirement to obtain a certificate of registration in order to operate a roller skating rink.

A-1-A liquor permits

- Allows certain A-1-A liquor permit holders to sell growlers of beer from the permit premises provided that certain criteria are met, including requiring the beer to be dispensed in glass containers with a capacity that does not exceed a gallon.

Mortgage brokers and loan originators

Testing requirements

(R.C. 1321.535 and 1322.051; conforming changes in R.C. 1322.03, 1322.031, 1322.04, and 1322.041)

Continuing law requires a mortgage loan originator applicant, loan originator applicant, and mortgage broker business operations manager to pass a test in order for an applicant or broker to obtain a license or certificate of registration. The act makes changes to these testing requirements.

Law unchanged by the act requires a mortgage loan originator applicant or a loan originator applicant to pass a written test developed and approved by the Nationwide Mortgage Licensing System and Registry (NMLS) as a condition of obtaining licensure. Former law directed the Superintendent of Financial Institutions, if such an NMLS test was not in place, to require an applicant to pass a written test acceptable to the Superintendent. The act removes this provision. Also, under law retained in part by the act, an applicant was considered to have passed the NMLS test if the applicant correctly answered at least (1) 75% of all the questions and (2) 75% of all questions relating to Ohio mortgage lending laws and the Ohio Consumer Sales

Practices Act. The act removes (2) above, meaning an applicant is considered to pass the test if the applicant correctly answers 75% of all questions.

For each person designated to act as operations manager for a mortgage broker business, the act requires that the person to pass the written NMLS test described above as a condition of the mortgage broker obtaining a certificate of registration. An applicant is considered to pass the test if the applicant correctly answers 75% of all questions. Former law required an operations manager to correctly answer 75% of all questions on a test approved by the Superintendent.

NMLS reports

(R.C. 1321.55 and 1322.06)

Continuing law requires a person who holds a second mortgage loan certificate of registration, a mortgage broker certificate of registration, or a loan originator license to submit call reports and other reports of condition to the NMLS. Under former law, these registrants and licensees were required to also file with the Division of Financial Institutions an annual report concerning their business and operation for the preceding calendar year. The act allows the Superintendent to accept the NMLS-submitted reports in lieu of the submission of the annual report.

Continuing law requires a yearly analysis of registrant and licensee information to be published. The act requires the Superintendent to annually publish an analysis including the information gathered from both the NMLS reports and the annual report to the Superintendent. Former law required the Division to annually publish an analysis of the information gathered from the annual report. Additionally, the act specifies that regardless of whether an individual report is filed with the Superintendent or the NMLS, the report is not a public record and not open to public inspection.

Escrow and monthly payment disclosure form

(R.C. 1322.063)

Law largely unchanged by the act requires a registered mortgage broker or licensed loan originator to deliver to a buyer a written disclosure that includes (1) a statement indicating whether property taxes will be escrowed and (2) a description of what is covered by the regular monthly payment, including principal, interest, taxes, and insurance, as applicable. The act changes the time period within which such a broker or originator must deliver the disclosure to the borrower to not later than three business days before a loan is closed. Former law required the delivery not earlier than three business days nor later than 24 hours before a loan was closed. Additionally, the act identifies the specific state and federal forms that brokers and originators must

deliver to fulfill the disclosure requirement: either the model form located on the Division's website or the appropriate federal form that discloses substantially similar information as published in Appendix H of 12 C.F.R. Part 1026, as amended. Former law was silent on this matter.

Underground Storage Tank Revolving Loan Fund

(R.C. 3737.02; Section 241.10 of H.B. 59 of the 130th General Assembly)

The act creates the Underground Storage Tank Revolving Loan Fund in the state treasury. Money in the Revolving Loan Fund is to be used by the State Fire Marshal to make Underground Storage Tank Revolving Loans in accordance with ongoing law. The Revolving Loan Fund is to consist of the following:

(1) Amounts repaid for the loans;

(2) Fines and penalties collected for violations related to petroleum releases and other moneys, including corrective action enforcement case settlements or bankruptcy case awards or settlements, received by the State Fire Marshal for enforcement actions, ***if*** the moneys are transferred from the ongoing Underground Storage Tank Administration Fund to the Revolving Loan Fund as provided in the act.

Transfers from the Administration Fund to the Revolving Loan Fund

The act authorizes the Director of Commerce, if the Director determines that the cash balance in the Administration Fund exceeds the amount needed for implementation and enforcement of the ongoing underground storage tank, corrective action, and installer certification programs, to certify the excess amount to the Director of Budget and Management. Upon certification, the Director of Budget and Management may transfer from the Administration Fund to the Revolving Loan Fund any amount up to, but not exceeding, the amount certified by the Director of Commerce, ***provided*** the amount transferred consists only of moneys described in (2), above.

Transfers from the Revolving Loan Fund to the Administration Fund

If the Director of Commerce determines that the cash balance in the Administration Fund is insufficient to implement and enforce the underground storage tank, corrective action, and installer certification programs, the Director may certify the amount needed to the Director of Budget and Management. Upon certification, the Director of Budget and Management may transfer from the Revolving Loan Fund to the Administration Fund any amount up to, but not exceeding, the amount certified by the Director of Commerce.

Roller skating rinks

(R.C. 121.084, 4171.03 (repealed), and 4171.04 (repealed))

The act removes the prohibition on operating a roller skating rink without obtaining a certificate of registration from the Superintendent of Industrial Compliance in the Department of Commerce. Similarly, the act removes the authority of the Superintendent to issue these certificates of registration. Under continuing law, "roller skating rink" means a building, facility, or premises that provides an area specifically designed to be used by the public for recreational or competitive roller skating.

A-1-A liquor permits

(R.C. 4303.021)

Continuing law authorizes the Division of Liquor Control to issue an A-1-A liquor permit to the holder of an A-1 (large beer manufacturer), A-1c (small beer manufacturer), or A-2 liquor permit (wine manufacturer) to sell beer and any intoxicating liquor at retail, only by the individual drink, provided that one of the following applies to the A-1-A permit premises:

(1) It is situated on the same parcel or tract of land as the related A-1, A-1c, or A-2 manufacturing permit premises.

(2) It is separated from the parcel or tract of land on which is located the A-1, A-1c, or A-2 manufacturing permit premises only by public streets or highways or by other lands owned by the holder of the A-1, A-1c, or A-2 permit and used by the holder in connection with or in promotion of the holder's A-1, A-1c, or A-2 permit business.

(3) It is situated on a parcel or tract of land that is not more than one-half mile from the A-1, A-1c, or A-2 manufacturing permit premises.

The act allows certain A-1-A permit holders to sell growlers of beer from the permit premises provided that certain criteria are met. Under the act, if an A-1-A permit is issued to the holder of an A-1 or A-1c permit, the A-1-A permit holder may sell beer at the A-1-A permit premises dispensed in glass containers with a capacity that does not exceed one gallon and not for consumption on the premises where sold if all of the following apply:

(1) The A-1-A permit premises is situated in the same municipal corporation or township as the related A-1 or A-1c manufacturing permit premises.

(2) The containers are sealed, marked, and transported in the same manner as required under the continuing law governing the transportation of opened bottles of wine.

(3) The containers have been cleaned immediately before being filled in accordance with rules adopted by the Liquor Control Commission governing the sanitation of beer equipment.

- Does both of the following with respect to the grants awarded by the Director of Development Services to local organizing committees, counties, and municipalities to support the selection of a site for certain national and international sports competitions:

  --Includes boxing and the Special Olympics as eligible sports competitions for purposes of the program;

  --Eliminates the requirement that the Director of Budget and Management establish a schedule for the disbursement of the grant payments and that the disbursements be made from the GRF.

- Provides that nothing in the Metropolitan Housing Authority (MHA) Law limits an MHA's authority to compete for and perform federal housing contracts or grants.

Sports incentive grants

(R.C. 122.12 and 122.121)

The act modifies the ongoing program under which grants are awarded by the Director of Development Services to local organizing committees, counties, and municipalities to support the selection of a site for a national or international competition of football, auto racing, rugby, cricket, horse racing, mixed martial arts, or any sport that is governed by an international federation and included in the Olympic games, Pan American games, or Commonwealth games. Prior law required (1) that the Director of Budget and Management establish a schedule to disburse the grant payments to a local organizing committee, county, or municipality and (2) that the disbursements be made from the GRF. The act eliminates both of these requirements. Additionally, the act adds boxing and the Special Olympics to the list of sports competitions for which grants may be awarded.

Metropolitan housing authorities

(R.C. 3735.31)

The act provides that nothing in the Metropolitan Housing Authority (MHA) Law limits the authority of an MHA, or a nonprofit corporation formed by an MHA to carry out the MHA's functions, to compete for and perform federal housing contracts or grants within or outside Ohio.

DEPARTMENT OF DEVELOPMENTAL DISABILITIES

Meaning of "developmental disability" and eligibility for services

- Provides that an individual under age three may have a developmental disability if the individual has a diagnosed physical or mental condition that has a high probability (rather than an established risk) of resulting in a developmental delay.

- Removes established risk as a factor in determining whether an individual at least age three but under age six has a developmental disability.

- Eliminates a requirement that the Director of the Ohio Department of Developmental Disabilities (ODODD) adopt a rule defining "substantial functional limitation," and instead requires the Director to adopt a rule specifying how to determine whether a person age six or older has a substantial functional limitation in a major life activity as appropriate for the person's age.

- Eliminates a requirement that the Director adopt rules defining "established risk," "biological risk," and "environmental risk."

- Eliminates (1) ODODD's express authority to adopt rules establishing eligibility for programs and services for individuals under age six who have a biological risk or environmental risk of a developmental delay and (2) county boards of developmental disabilities' (county DD boards') express authority to establish the individuals' eligibility.

- Requires that the Director's rules regarding programs and services offered by county DD boards include standards and procedures for making eligibility determinations.

Certification and registration of county DD board employees

- Provides that the Director, rather than the county DD board superintendent, is responsible for the certification or registration of early intervention supervisors and specialists who seek employment with, or are employed by, a county DD board or an entity that contracts with a county DD board.

Supported living providers

- Revises who is a related party of a supported living provider for the purpose of the continuing law that makes a provider and related party temporarily ineligible to apply for a supported living certificate if the Director denies an initial or renewed certificate or revokes a certificate.

- Makes consistent the procedures that ODODD must follow after completing surveys of supported living providers and residential facilities, including requiring survey reports and plans of correction for both to be made available on ODODD's website.

ICFs/IID

- Modifies the Medicaid payment rate formula for intermediate care facilities for individuals with intellectual disabilities (ICFs/IID) by establishing provisions that apply only to ICFs/IID in peer group 3, and specifies how ICFs/IID are classified in peer group 1, 2, or 3.

- Provides that the Medicaid payment rate for an ICF/IID in peer group 3 is not to exceed the average Medicaid payment rate in effect on July 1, 2013, for developmental centers, specifies how the maximum cost per case-mix unit is to be determined for peer groups 1 and 2 for fiscal year 2015, and specifies the maximum cost per case-mix unit for peer groups 1 and 2 for fiscal years thereafter.

- Eliminates requirements that the ODODD Director, for the purpose of Medicaid payment rates for direct and indirect care costs, adopt rules that specify peer groups of ICFs/IID.

- Provides that the efficiency incentive paid to an ICF/IID under the Medicaid program for indirect care costs is to be the lesser of (1) the amount prior law provided or (2) the difference between the ICF/IID's per diem indirect care costs as adjusted for inflation and the maximum rate established for the ICF/IID's peer group.

- Revises (1) the reduction made to the Medicaid rate paid to an ICF/IID that fails to file a timely cost report or files an incomplete or inadequate cost report and (2) the period for which the reduction is made.

- Eliminates prohibitions against (1) more than 600 beds converting from providing ICF/IID services to providing home and community-based services available under ODODD-administered Medicaid waiver programs and (2) the Medicaid Director seeking federal approval for more than 600 slots for such home and community-based services for the purpose of the bed conversions.

- Revises the requirement that ODODD strive to reduce the statewide number of ICF/IID beds.

County DD board authority

- Requires a county DD board, when the superintendent position becomes vacant, to first consider obtaining the services of a superintendent of another county DD board.

- Requires a superintendent of a county DD board, when a management employee position becomes vacant, to first consider obtaining the services of personnel of another county DD board.

- Authorizes two or more county DD boards to agree to share the services of any employee.

- Repeals the law prohibiting a county DD board from contracting with a nongovernmental agency whose board includes a county commissioner of any of the counties served by the county DD board.

- Eliminates requirements that each county DD board (1) establish an advisory council to provide ongoing communication among all persons concerned with non-Medicaid-funded supported living services and (2) develop and implement a provider selection system for non-Medicaid-funded supported living services.

- Provides that "adult services" available through county DD boards no longer expressly includes adult day care, sheltered employment, or community employment services.

- Eliminates a provision specifying that "adult day habilitation services," which is a part of "adult services," includes counseling and assistance provided to obtain housing.

Other provisions

- Requires ODODD to establish a voluntary training and certification program for individuals who provide evidence-based interventions to individuals with an autism spectrum disorder.

- Authorizes disclosure of records and certain other confidential documents relating to a resident, former resident, or person whose institutionalization was sought if disclosure is needed for treatment or the payment of services.

- Authorizes a board of county commissioners to appoint individuals to a county DD board who are eligible for services provided by the board.

Meaning of "developmental disability" and eligibility for services

(R.C. 5123.01, 5123.011, 5123.012, 5126.01, 5126.041, and 5126.08)

Individuals with developmental disabilities may receive a number of governmental services. A "developmental disability" is a severe, chronic disability that (1) is attributable to a mental or physical impairment or a combination of mental and physical impairments, other than a mental or physical impairment solely caused by mental illness, (2) is manifested before age 22, (3) is likely to continue indefinitely, (4) causes the person to need a combination and sequence of special, interdisciplinary, or other type of care, treatment, or provision of services for an extended period of time that is individually planned and coordinated for the person, and (5) results in certain delays, risks, or limitations, depending on the person's age.

Whereas prior law provided that, in the case of a person under age three, the disability resulted in at least one developmental delay or an established risk, the act provides that the disability results in at least one developmental delay or a diagnosed physical or mental condition that has a high probability of resulting in a developmental delay. In the case of a person at least age three but under age six, the act provides that the disability results in at least two developmental delays rather than, as under prior law, at least two developmental delays or an established risk. These changes to the definition of "developmental disability" remove the operative uses of the term "established risk" from the laws governing the Ohio Department of Developmental Disabilities (ODODD) and county boards of developmental disabilities (county DD boards). Accordingly, the act eliminates a requirement for the ODODD Director to adopt rules defining "established risk."

Regarding persons age six or older, continuing law provides that a severe, chronic disability results in a substantial functional limitation in at least three of certain areas of major life activity, as appropriate for the person's age. Whereas prior law required the ODODD Director to adopt rules defining "substantial functional limitation," the act instead requires the Director to adopt rules specifying how to determine whether a person age six or older has a substantial functional limitation in a major life activity as appropriate for the person's age.

The act eliminates a requirement that ODODD adopt rules establishing the eligibility for programs and services of individuals under age six who have a biological risk or environmental risk of a developmental delay. The act also eliminates law that permitted a county DD board to establish the eligibility of such individuals for programs and services. This removes the operative uses of the terms "biological risk" and "environmental risk" from the laws governing ODODD and county DD boards. The

act therefore eliminates a requirement for the ODODD Director to adopt rules defining "biological risk" and "environmental risk."

The act requires that rules the ODODD Director adopts regarding programs and services offered by county DD boards include standards and procedures for making eligibility determinations for all programs and services the boards offer. Prior law expressly referred only to rules for determining eligibility for service and support administration.

Certification and registration of county DD board employees

(R.C. 5126.25)

Continuing law requires the ODODD Director to adopt rules establishing uniform standards and procedures for the certification and registration of persons who are seeking employment with or are employed by a county DD board or an entity that contracts with a county DD board to operate programs and services for individuals with mental retardation and developmental disabilities. The superintendent of each county DD board is generally responsible for taking actions regarding the certifications and registrations,[6] but the ODODD Director is responsible for the certification and registration of superintendents and investigative agents. The act makes the ODODD Director also responsible for the certification or registration of early intervention supervisors and early intervention specialists.

Supported living provider certificates

(R.C. 5123.16)

Definition of "related party"

Continuing law prohibits a person or government entity from reapplying for a certain period of time for a certificate to be a provider of supported living services if the ODODD Director issues an adjudication order refusing to issue a supported living certificate to the provider, refusing to renew the provider's certificate, or revoking the provider's certificate. In the case of an order refusing to issue or renew a certificate, the provider may not reapply earlier than one year after the date the order is issued. In the case of an order revoking a certificate, the provider may not reapply earlier than five years after the date the order is issued.[7]

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[6] A county DD board superintendent may contract with another entity under which the entity becomes responsible for all or part of the superintendent's certification and registration duties.

[7] R.C. 5123.167, not in the act.

The prohibition also applies to a related party of a provider. Who a related party is depends on whether a provider is an individual, legal person other than an individual (i.e., a corporation, partnership, association, trust, or estate),[8] or government entity. The act revises the definition of "related party" as follows:

(1) In the case of a provider who is an individual, the act provides that an employee or employer of the provider or provider's spouse is not a related party unless the employee or employer is a related party for another reason.

(2) In the case of a provider that is a legal person other than an individual, the following apply:

--An employee of the provider is not a related party unless the employee is a related party for another reason.

--A person or government entity that has control over the provider's day-to-day operations is a related party under continuing law. The act provides that this includes a general manager, business manager, financial manager, administrator, or director. It also provides that such a person or government entity is a related party regardless of whether the person or government entity exercises the control pursuant to a contract or other arrangement and regardless of whether the person or government entity is required to file an Internal Revenue Code form W-2 for the provider.

--A person owning a financial interest of 5% or more in the provider is a related party under continuing law. The act provides that this includes a direct, indirect, security, or mortgage financial interest.

--The act provides that an individual is a related party if the individual is a spouse, parent, stepparent, child, sibling, half sibling, stepsibling, grandparent, or grandchild of another individual who is a related party because the other individual (a) directly or indirectly controls the provider's day-to-day operations, (b) is an officer of the provider, (c) is a member of the provider's board of directors or trustees, or (d) owns a financial interest of 5% or more in the provider.

(3) In the case of a provider that is a government entity, prior law specified that a government entity that had control over the provider's day-to-day operation was a related party. Under the act, any person or government entity that directly or indirectly controls the provider's day-to-day operations (including as a general manager, financial manager, administrator, or director) is a related party. The act provides that this is the

[8] R.C. 1.59(C), not in the act.

case regardless of whether the person or government entity exercises the control pursuant to a contract or other arrangement.

Definition of "business"

Continuing law prohibits the ODODD Director from issuing or renewing a supported living certificate if the chief executive officer of the business applying for issuance or renewal fails to comply with criminal records check requirements or is found by a criminal records check to be ineligible for the certificate. Under the act, an individual who employs, directly or through contract, one or more other individuals to provide supported living is no longer a business for this purpose.

Surveys of supported living providers and residential facilities

(R.C. 5123.162 and 5123.19)

Background and overview

Under continuing law, the ODODD Director is permitted to conduct surveys of supported living providers and persons and government entities seeking to be providers. The surveys must be conducted in accordance with rules adopted by the ODODD Director.[9] The rules in effect prior to the act specify post-survey procedures, and include a requirement that a county DD board or ODODD provide a written summary to the provider not later than seven days after the survey's conclusion.[10]

Regarding residential facilities, the ODODD Director is required by statute unchanged by the act to conduct a survey of a facility before issuing a license and at least once during the licensure period. Additional inspections are permitted as needed. A survey includes an on-site examination and evaluation of the residential facility, its personnel, and the services provided there. Rules adopted by the ODODD Director prior to the act specify additional procedures for surveys, as well as post-survey procedures.[11] Among post-survey procedures specified in rules is a requirement that a survey report be provided to the residential facility not later than 20 working days following ODODD's exit interview. The report must be made available to any person who requests it in accordance with statutes and regulations regarding individual confidentiality.[12]

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[9] R.C. 5123.1610, not in the act.

[10] Ohio Administrative Code (O.A.C.) 5123:2-2-04(D) and (F).

[11] O.A.C. 5123:2-3-02(I), authorized by R.C. 5123.19(H)(4).

[12] O.A.C. 5123:2-3-02(J)(2).

In the case of supported living providers, the act specifies in statute the procedures that the ODODD Director must follow after a survey is conducted. In the case of residential facilities, the act modifies post-survey procedures that were previously specified in statute. In general, the act makes post-survey procedures consistent for both. In addition, the act authorizes the Director to assign to a county DD board the responsibility to conduct any type of survey the Director may conduct.

Survey reports

(R.C. 5123.162 and 5123.19(I)(5))

The act requires the ODODD Director, following each survey of a supported living provider or residential facility, to issue a report listing the date of the survey; any citations issued as a result of the survey, and the statutes and rules that purportedly have been violated and are the bases of the citations. The Director also must do both of the following:

--Specify a date by which the provider or facility may appeal any of the citations;

--When appropriate, specify a timetable within which the provider or facility must submit a plan of correction describing how the problems specified in citations will be corrected and the date by which the provider or facility anticipates the problems will be corrected.

If the ODODD Director initiates a proceeding to revoke a provider's or facility's certification, the act requires the Director to include the report described above with the notice of the proposed revocation that the Director sends to the provider or facility. In this circumstance, the provider may not submit a plan of correction.

After a plan of correction is submitted, the act requires the ODODD Director to approve or disapprove the plan. If the plan of correction is approved, a copy of the approved plan must be provided, not later than five business days after it is approved, to any person or government entity that requests it and must be made available on ODODD's website. If the plan of correction is not approved and the Director initiates a proceeding to revoke the provider's certification, a copy of the survey report must be provided to any person or government entity that requests it and must be made available on ODODD's website.

Regarding surveys of supported living providers, the act clarifies that survey reports and records associated with them are public records under Ohio's public records law[13] and must be made available on the request of any person or government

[13] R.C. 149.43, not in the act.

entity. Prior law specified that records of surveys were public records, but it was not clear whether such records included survey reports.[14]

ODODD designee

(R.C. 5123.19, 5123.191, 5123.21, 5123.61, 5123.75, and 5123.76)

The act eliminates references to a "designee" of the ODODD Director in statutes that require or authorize the Director to take certain actions. This change does not appear to have a substantive effect since the Director's authority to delegate duties to ODODD staff is implied in continuing law. The act does not eliminate references to "designee" in two provisions governing probable cause hearings for involuntary institutionalization of the mentally retarded, but instead cross-references the pre-existing provision that authorizes the ODODD Director's designee to act on the Director's behalf.

ICFs/IID

New peer groups for Medicaid payment rates

(R.C. 5124.01, 5124.101, 5124.15, 5124.151, 5124.17, 5124.19, 5124.21, 5124.28, and 5124.38; Sections 610.20 and 610.21 (amending Section 259.210 of H.B. 59 of the 130th General Assembly))

The act places intermediate care facilities for individuals with intellectual disabilities (ICFs/IID) in three separate peer groups for the purpose of Medicaid payment rates. Peer group 1 consists of ICFs/IID with a Medicaid-certified capacity exceeding eight. ICFs/IID with a Medicaid-certified capacity not exceeding eight, other than ICFs/IID in peer group 3, are in peer group 2. An ICF/IID is in peer group 3 if (1) it is first certified as an ICF/IID after July 1, 2014, (2) it has a Medicaid-certified capacity not exceeding six, (3) it has a contract with ODODD that is for 15 years and includes a provision for ODODD to approve all admissions to, and discharges from, the ICF/IID, and (4) its residents are admitted directly from a developmental center (i.e., an ICF/IID that ODODD maintains and operates) or have been determined by ODODD to be at risk of admission to a developmental center.

[14] R.C. 5123.162(E).

Initial rates for new ICF/IID in peer group 3

(R.C. 5124.151)

Under the act, the initial total per Medicaid day payment rate for ICF/IID services provided by a new ICF/IID in peer group 3 is to be determined as follows:

(1) The initial rate for capital costs is to be $29.61.

(2) The initial rate for direct care costs is to be $264.89.

(3) The initial rate for indirect care costs is to be $59.85.

(4) The initial rate for other protected costs is to be $25.99.

Cap on total payment rate for peer group 3

(R.C. 5124.15)

The act establishes a cap on the total per Medicaid day payment rate for ICFs/IID in peer group 3. The rate is not to exceed the average total per Medicaid day payment rate in effect on July 1, 2013, for developmental centers.

Costs of ownership for peer group 3's capital costs

(R.C. 5124.17)

Under continuing law, ODODD must determine, for each fiscal year, each ICF/IID's per Medicaid day payment rate for reasonable capital costs. Costs of ownership are one of the factors that make up an ICF/IID's Medicaid payment rate for capital costs.

Under the act, the costs of ownership per diem payment rate for an ICF/IID in peer group 3 is not to exceed the amount of the cap for the costs of ownership that is in effect on July 1, 2014, for an ICF/IID that is in peer group 2 and (1) has a date of licensure, or was granted project authorization by ODODD, before July 1, 1993, or (2) has a date of licensure, or was granted project authorization from ODODD, on or after July 1, 1993, and either made substantial commitments of funds before that date or ODODD or the Department of Job and Family Services gave prior approval for the ICF/IID's construction. The cap for the costs of ownership is to be increased each subsequent fiscal year by the estimated inflation rate for shelter costs for all urban consumers for the Midwest region reported in the Consumer Price Index.

Peer groups' maximum cost per case-mix unit for direct care costs

(R.C. 5124.19)

Continuing law requires ODODD to determine, for each fiscal year, each ICF/IID's per Medicaid day payment rate for direct care costs. The lesser of an ICF/IID's actual cost per case-mix unit or the maximum cost per case-mix unit for the ICF/IID's peer group is a factor in determining an ICF/IID's Medicaid payment rate for direct care costs.

Under law eliminated by the act, the ODODD Director was required to adopt rules specifying peer groups of ICFs/IID with more than eight beds and peer groups of ICFs/IID with eight or fewer beds for the purpose of calculating the Medicaid payment rates for the direct care costs of ICFs/IID. The peer groups had to be based on findings of significant per diem direct care costs difference due to geography and bed size and could be based on findings of significant per diem direct care cost differences due to other factors. The act uses peer groups 1, 2, and 3 instead.

Prior law required ODODD to set the maximum cost per case-mix unit for each peer group of ICFs/IID with more than eight beds at a percentage above the cost per case-mix unit for the ICF/IID in the peer group that had the peer group's median number of Medicaid days for the calendar year immediately preceding the fiscal year in which the rate would be paid. The percentage had to be no less than the percentage above the cost per case-mix unit for the ICF/IID that had the median number of Medicaid days for calendar year 1992 for all ICFs/IID with more than eight beds that would result in payment of all direct care costs for 80.5% of the Medicaid days for such ICFs/IID for calendar year 1992. Under the act, ODODD, for fiscal year 2016 and thereafter, must set the maximum cost per case-mix unit for ICFs/IID in peer group 1 at a percentage above the cost per case-mix unit for the ICF/IID in peer group 1 that has the peer group's median number of Medicaid days for the calendar year immediately preceding the fiscal year in which the rate will be paid. The percentage must be not less than 22.46%. (For the maximum cost per case-mix unit for fiscal year 2015, see "**Fiscal year 2015 Medicaid rates for ICFs/IID**," below.)

Prior law required ODODD to set the maximum cost per case-mix unit for each peer group of ICFs/IID with eight or fewer beds at a percentage above the cost per case-mix unit for the ICF/IID in the peer group that had the peer group's median number of Medicaid days for the calendar year immediately preceding the fiscal year in which the rate would be paid. The percentage had to be no less than the percentage above the cost per case-mix unit for the ICF/IID that had the median number of Medicaid days for calendar year 1992 for all ICFs/IID with eight or fewer beds that would result in all direct care costs for 80.5% of the Medicaid days for such ICFs/IID for calendar year

1992. Under the act, ODODD, for fiscal year 2016 and thereafter, must set the maximum costs per case-mix unit for ICFs/IID in peer group 2 at a percentage above the cost per case-mix unit for the ICF/IID in peer group 2 that has the peer group's median number of Medicaid days for the calendar year immediately preceding the fiscal year in which the rate will be paid. The percentage must be not less than 18.8%. (For the maximum cost per case-mix unit for fiscal year 2015, see "**Fiscal year 2015 Medicaid rates for ICFs/IID**," below.)

The act requires ODODD to set the maximum cost per case-mix unit for ICFs/IID in peer group 3 at the 95th percentile of all ICFs/IID in peer group 3 for the calendar year immediately preceding the fiscal year in which the Medicaid payment rate will be paid. In contrast to the calculations made for ICFs/IID in peer groups 1 and 2, ODODD is not to exclude ICFs/IID in peer group 3 that have participated in Medicaid under the same provider for less than 12 months during the calendar year immediately preceding the fiscal year in which the rate will be paid from ODODD's determination of the maximum cost per case-mix unit for ICFs/IID in peer group 3.

Efficiency incentive for indirect care costs

(R.C. 5124.21)

Continuing law requires, ODODD for each fiscal year, to determine the per Medicaid day payment rate for indirect care costs for each ICF/IID. An ICF/IID's Medicaid payment rate for indirect care costs for a fiscal year is the lesser of (1) the maximum rate ODODD determines for the ICF/IID's peer group or (2) the sum of (a) the ICF/IID's per diem indirect care costs from the immediately preceding calendar year adjusted for inflation and (b) an efficiency incentive. The act revises the method by which the efficiency incentive is calculated.

Under law eliminated by the act, the ODODD Director was required to adopt rules specifying peer groups of ICFs/IID with more than eight beds and peer groups of ICFs/IID with eight or fewer beds for the purpose of calculating the Medicaid payment rates for the indirect care costs of ICFs/IID. The peer groups had to be based on findings of significant per diem indirect care costs difference due to geography and bed size and could be based on findings of significant per diem indirect care cost differences due to other factors. The act uses peer groups 1, 2, and 3 instead.

Under prior law, the efficiency incentive for an ICF/IID with more than eight beds equaled the following:

(1) For fiscal year 2014, 7.1% of the maximum Medicaid payment rate for the ICF/IID's peer group;

(2) For fiscal year 2015, the following:

- The same amount as the ICF/IID's efficiency incentive for fiscal year 2014 if the ICF/IID obtained ODODD's approval to downsize and the approval was conditioned on the downsizing being completed by July 1, 2018.

- One half of the ICF/IID's 2014 efficiency incentive if the ICF/IID did not obtain such approval.

(3) For fiscal year 2016 and each fiscal year thereafter ending in an even-numbered calendar year, the following:

- 7.1% of the maximum Medicaid payment rate for the ICF/IID's peer group if the ICF/IID obtained the downsizing approval discussed above;

- 3.55% of the maximum Medicaid payment rate for the ICF/IID's peer group if the ICF/IID did not obtain such approval.

(4) For fiscal year 2017 and each fiscal year thereafter ending in an odd-numbered calendar year, the same amount as the ICF/IID's efficiency incentive for the immediately preceding fiscal year.

Prior law provided that the efficiency incentive for an ICF/IID with eight or fewer beds equaled the following:

(1) For each fiscal year ending in an even-numbered calendar year, 7% of the maximum Medicaid payment rate for the ICF/IID's peer group;

(2) For each fiscal year ending in an odd-numbered calendar year, the same amount as the ICF/IID's efficiency incentive for the immediately preceding fiscal year.

Under the act, the efficiency incentive for an ICF/IID in peer group 1 is to be the lesser of (1) the amount prior law provided for ICFs/IID with more than eight beds or (2) the difference between the ICF/IID's per diem indirect care costs as adjusted for inflation and the maximum rate for indirect care costs established for peer group 1. The efficiency incentive for an ICF/IID in peer group 2 or 3 is to be the lesser of (1) the amount prior law provided for ICFs/IID with eight or fewer beds or (2) the difference between the ICF/IID's per diem indirect costs as adjusted for inflation and the maximum rate for indirect care costs established for peer group 2 or 3, as appropriate.

Combined maximum payment limit

(R.C. 5124.28)

Prior law permitted the ODODD Director to adopt rules that provided for the determination of a combined maximum payment limit for indirect care costs and costs of ownership for ICFs/IID with eight or fewer beds. The act permits the Director to establish such a combined payment limit for ICFs/IID in peer group 2.

ICF/IID Medicaid rate reduction due to cost report

(R.C. 5124.106)

With certain exceptions, continuing law requires each ICF/IID to file an annual cost report with ODODD. The cost report is used in setting Medicaid payment rates. The cost report is due not later than 90 days after the end of the calendar year, or portion of the calendar year, that the cost report covers. However, ODODD may grant a 14-day extension if the ICF/IID provides ODODD a written request for an extension and ODODD determines there is good cause for the extension.[15]

ODODD must notify an ICF/IID that its Medicaid provider agreement will be terminated if the ICF/IID fails to file a cost report by the due date, including an extended due date, or files an incomplete or inadequate report. The termination is to occur in 30 days unless the ICF/IID submits a complete and adequate cost report within those 30 days. Under law eliminated by the act, the termination notice had to be provided immediately.

The act revises the reduction that is made in the ICF/IID's Medicaid rate and the period for which the reduction is made. Under prior law, an ICF/IID was to be paid, during the 30-day termination period or any additional time allowed for an appeal of the proposed termination, the ICF/IID's then current per Medicaid day payment rate, minus the dollar amount by which the per Medicaid day payment rates of ICFs/IID were reduced during fiscal year 2013 because of late, incomplete, or inadequate cost reports, adjusted for inflation. The act requires instead that ODODD reduce an ICF/IID's rate by the following:

(1) In the case of a reduction made during the period beginning on September 15, 2014, and ending on the first day of fiscal year 2016, $2;

[15] R.C. 5124.10, not in the act. Exceptions to the requirement to file an annual cost report include when a new ICF/IID begins operation after the first day of October of a year.

(2) In the case of a reduction made during fiscal year 2016 and each fiscal year thereafter, the amount of the reduction in effect on the last day of the fiscal year immediately preceding the fiscal year in which the reduction is made adjusted by the rate of inflation during that immediately preceding fiscal year.

Under the act, an ICF/IID's Medicaid rate reduction is to begin the day immediately following the date its cost report is due or to which the due date is extended, if the reduction is made because the ICF/IID fails to file a timely cost report. If the reduction is made because the ICF/IID files an incomplete or inadequate cost report, the reduction is to begin the day that ODODD gives the ICF/IID written notice of the proposed provider agreement termination. A rate reduction is to end on the last day of the 30-day period specified in the termination notice or any additional period allowed for an appeal of the proposed termination.

Cost reports for downsized, partially converted, and new ICFs/IID

(R.C. 5124.101)

Continuing law establishes conditions under which an ICF/IID that becomes a downsized ICF/IID, partially converted ICF/IID, or new ICF/IID on or after July 1, 2013, may file with ODODD a cost report sooner than it otherwise would. A downsized ICF/IID is an ICF/IID that permanently reduced its Medicaid-certified capacity pursuant to a plan approved by ODODD. A partially converted ICF/IID is an ICF/IID that converted some, but not all, of its beds to providing home and community-based services under the Individual Options Medicaid waiver program.

The act specifies that this provision applies to downsized ICFs/IID, partially converted ICFs/IID, and new ICFs/IID in peer group 1 and peer group 2.

Fiscal year 2015 Medicaid rates for ICFs/IID

(Sections 610.20 and 610.21 (amending Section 259.210 of H.B. 59 of the 130th General Assembly))

H.B. 59 of the 130th General Assembly (the main operating budget) made adjustments to the formula used to determine the fiscal year 2015 Medicaid payment rates for ICF/IID services. The act provides that the H.B. 59 adjustments do not apply to ICFs/IID in peer group 3 and modifies a few of the adjustments.

Among the H.B. 59 adjustments to the formula was a requirement that a different maximum cost per case mix-unit be used in determining the fiscal year 2015 Medicaid payment rate for the direct care costs of ICFs/IID. In place of the maximum cost per

case-mix unit that would otherwise be used, H.B. 59 required that the maximum cost per case-mix unit for an ICF/IID that is not new be the following:

(1) If the ICF/IID had more than eight beds, $114.37 or a different amount, if any, specified by a future amendment of this provision of law;

(2) If the ICF/IID had eight or fewer beds, $109.09 or a different amount, if any, specified by a future amendment of this provision of law.

H.B. 59 required the ODODD Director to study whether the $114.37 and $109.09 maximums for cost per-case mix units would avoid or minimize rate reductions due to a $282.77 restriction on the fiscal year 2015 mean total per diem Medicaid payment rate for ICF/IID services. In making the study, the Director had to consult with the Ohio Provider Resource Association, Values and Faith Alliance, Ohio Association of County Boards of Developmental Disabilities, and Ohio Health Care Association/Ohio Centers for Intellectual Disabilities. If the Director and these organizations agreed that the $114.37 and $109.09 maximums would not avoid or minimize rate reductions, the Director and organizations were required to recommend, not later than March 31, 2014, that the General Assembly revise the maximums.

The act eliminates these provisions of H.B. 59, including the $114.37 and $109.09 maximum cost per case-mix units, and provides instead that the maximums are to be amounts that the Director and organizations are required to jointly determine. To the extent possible, the amounts so determined must (1) avoid rate reductions due to the $282.77 restriction on the fiscal year 2015 mean total per diem Medicaid payment rate for ICF/IID services and (2) result in payment of all desk-reviewed, actual, allowable direct care costs for the same percentage of Medicaid days for ICFs/IID in peer group 1 as for ICFs/IID in peer group 2 as of July 1, 2014, based on May 2014 Medicaid days.

Conversion and reduction of ICF/IID beds

(R.C. 5124.63 (repealed), 5124.01, 5124.60, 5124.61, 5124.62, 5124.64 (repealed), and 5124.67)

Continuing law includes provisions aimed at increasing the number of slots for home and community-based services that are available under Medicaid waiver programs administered by ODODD. First, an ICF/IID is permitted to convert some or all of its beds from providing ICF/IID services to providing such home and community-based services if a number of requirements are met. For example, the ICF/IID must provide its residents certain notices, provide the Director of Health and ODODD Director at least 90 days' notice of the intent to convert the beds, and receive the ODODD Director's approval. Second, an individual who acquires, through a request for proposals issued by the ODODD Director, an ICF/IID for which a residential facility

license was previously surrendered or revoked may convert all or some of its beds if similar requirements are met. Third, the ODODD Director is permitted to request that the Medicaid Director seek federal approval to increase the number of slots available for such home and community-based services by a number not exceeding the number of beds that were part of the licensed capacity of a residential facility that had its license revoked or surrendered if the residential facility was an ICF/IID at the time of the license revocation or surrender.

The act eliminates provisions of law that limited the number of beds that could be converted and the number of such home and community-based services slots for which the Medicaid Director could seek federal approval. Under the repealed provisions, not more than a total of 600 beds could be converted and the Medicaid Director could not seek federal approval for more than 600 such slots.

Continuing law requires ODODD to strive to achieve, not later than July 1, 2018, a statewide reduction in the number of ICF/IID beds. ODODD is to strive to achieve (1) a reduction of beds in ICFs/IID that, before the reductions, have 16 or more beds and (2) a reduction of beds in ICFs/IID with any number of beds that convert some or all of their beds from providing ICF/IID services to providing home and community-based services under the provisions discussed above. Prior law specified that ODODD was to strive to achieve a reduction of at least 500 and not more than 600 beds through such reductions and conversions. The act retains the 500-bed minimum but eliminates the 600-bed cap on these reductions and conversion. In addition, the act requires ODODD to strive to achieve a reduction of at least 1,200 ICF/IID beds through a combination of reductions and conversions.

County DD board authority

Superintendent vacancy

(R.C. 5126.0219)

Under the act, if a vacancy occurs in the position of superintendent of a county DD board, the board must first consider entering into an agreement with another county DD board under which that board's superintendent acts also as the superintendent of the board with the vacancy. If the county DD board determines it is impractical or not significantly efficient to share a superintendent, the board may employ a superintendent to fill the vacancy. Continuing law requires that a county DD board either employ a superintendent or obtain the services of a superintendent of another county DD board, but prior law did not require that either method be given first consideration in filling a vacancy.

Management employee vacancy

(R.C. 5126.21)

If a vacancy occurs in a management employee position of a county DD board, the act specifies that the board's superintendent must first consider entering into an agreement with another county DD board under which the two boards share personnel. If the superintendent determines it is impractical or not significantly efficient to share personnel, the act permits the superintendent to employ a management employee to fill the vacancy. Continuing law allows a county DD board to either employ management employees or share personnel with another county DD board,[16] but prior law did not specify how a board must fill a management employee vacancy.

Agreement to share employees

(R.C. 5126.02)

The act authorizes two or more county DD boards to agree to share the services of any employee.

Contracts with nongovernmental agencies

(R.C. 5126.037 (repealed))

The act repeals a provision that prohibited a county DD board from contracting with a nongovernmental agency whose board includes a county commissioner of any of the counties served by the county board.

Supported living services

(R.C. 5126.42 (primary), 5126.046, 5126.43, and 5126.45)

The act eliminates a requirement that county DD boards establish advisory councils to provide ongoing communication among all persons concerned with non-Medicaid-funded supported living. Prior law required that such councils consist of members or employees of the boards, supported living providers, supported living recipients, and advocates for supported living recipients.

The act also eliminates a requirement that county DD boards develop and implement provider selection systems for non-Medicaid-funded supported living. The law eliminated by the act required a county DD board's system to do all of the following:

[16] R.C. 5126.02(B).

(1) Enable an individual to choose to continue receiving non-Medicaid-funded supported living from the same providers, to select additional providers, or to choose alternative providers;

(2) Include a pool of providers that consists of either all certified providers on record with the board or all certified providers approved by the board through a request for proposals process;

(3) Permit an individual to choose a certified provider not included in the pool.

Although the provider selection system requirement is eliminated by the act, continuing law gives an individual who is eligible for non-Medicaid-funded supported living the right to obtain the services from any supported living provider that is willing and qualified to provide the services. In the case of an individual eligible for Medicaid-funded home and community-based services, a refusal to allow an individual to choose a provider may be appealed. The act clarifies that the appeal is made to the Ohio Department of Medicaid.

Adult services

(R.C. 5126.01 and 5126.051)

Continuing law requires county DD boards, to the extent that resources are available, to provide or arrange for the provision of adult services to individuals with mental retardation and developmental disabilities who are (1) age 18 or older and not enrolled in a program or service available under state law governing the education of children with disabilities or (2) age 16 or 17 and eligible for adult services under rules adopted by the ODODD Director. Adult services support learning and assistance in the areas of self-care, sensory and motor development, socialization, daily living skills, communication, community living, social skills, or vocational skills.

The act provides that adult services no longer expressly include adult day care, sheltered employment, and community employment services. Continuing law provides that adult services include adult day habilitation services, but the act provides that adult day habilitation services no longer expressly include counseling and assistance provided to obtain housing.

Autism intervention training and certification program

(R.C. 5123.0420)

The act requires ODODD to establish a voluntary training and certification program for individuals who provide evidence-based interventions to individuals with

an autism spectrum disorder. "Evidence-based intervention" is defined as a prevention or treatment service that has been demonstrated through scientific evaluation to produce a positive outcome.

ODODD must administer the program itself or contract with a person or other entity to administer the program. The program cannot conflict with any other state-administered certification or licensure process. The act permits the ODODD Director to adopt rules to implement the program.

Permitted disclosure of records pertaining to institution residents

(R.C. 5123.89)

The act authorizes the disclosure of records and certain other confidential documents relating to a resident of an institution for the mentally retarded, a former resident, or a person whose institutionalization was sought under law administered by ODODD if disclosure is needed for the person's treatment or the payment of services provided to the person. The act defines the following terms:

--"Treatment" is the provision of services to a person, including the coordination or management of services provided to the person.

--"Payment" encompasses activities undertaken by a service provider or government entity to obtain or provide reimbursement for services provided to a person.

The records and confidential documents subject to the act's authorization include all certificates, applications, records, and reports made for purposes of the law administered by ODODD, other than court journal entries or court docket entries, that directly or indirectly identify a resident or former resident of an institution for the mentally retarded or person whose institutionalization has been sought under that law.

Appointments to county DD boards

(R.C. 5126.022)

Under continuing law, each county DD board consists of seven members, two appointed by the county's senior probate judge and five appointed by the board of county commissioners. Of the members appointed by the board of county commissioners, prior law required that at least two be immediate family members of individuals eligible for services provided by the county DD board.[17] With respect to

[17] R.C. 5126.021, not in the act.

these two appointments, the act instead requires that the board of county commissioners appoint either of the following: (1) individuals eligible for services provided by the county DD board or (2) immediate family members of such individuals. While including the option of appointing individuals eligible for services, the act also retains a requirement that, whenever possible, one member's experience relate to adult services and the other member's experience relate to early intervention services or services for preschool or school-age children.

DEPARTMENT OF EDUCATION

Funding for city, local, and exempted village school districts

- Adds to a school district's "formula ADM" (the student count used to calculate a district's state payments) 20% of the number of students who are entitled to attend school in the district and are enrolled in another district under a career-technical education compact.

- For calculating targeted assistance funding for school districts, specifies that the "net formula ADM" does not include 75% of the number of the district's students who attend a science, technology, engineering, and mathematics (STEM) school.

Funding for community schools

- Requires the Department of Education to pay each community school, including each Internet- or computer-based community school, 20% of the formula amount for each student who is not taking career-technical education classes provided by the school but is enrolled in career-technical programs at a joint vocational school district or another district in the school's career-technical planning district.

- For each student for whom a payment is made under that provision, requires the Department to make a corresponding deduction from the state education aid of the student's resident district.

Adult Career Opportunity Pilot Program

- Establishes the Adult Career Opportunity Pilot Program to permit a community college, technical college, state community college, or technical center that provides post-secondary workforce education to offer a program that allows individuals who are at least 22 years old and have not received a high school diploma or an equivalence certificate to obtain a high school diploma.

- Requires the Superintendent of Public Instruction, in consultation with the Chancellor of the Board of Regents, to adopt rules for the implementation of the program, including requirements for applying for program approval.

- Permits the Superintendent to award planning grants in fiscal year 2015 of up to $500,000 to no more than five eligible institutions geographically dispersed across the state for the purpose of building capacity to implement the pilot program.

- Requires the Superintendent, in consultation with others, to develop recommendations for the method of funding and other associated requirements for the pilot program, and to report the recommendations by December 31, 2014.

Enrollment of individuals ages 22 and above

- Beginning with fiscal year 2015, permits an individual age 22 and above who has not received a high school diploma or equivalence certificate to enroll for up to two cumulative school years in any of the following for the purpose of earning a high school diploma: (1) a city, local, or exempted village school district or a community school that operates a dropout prevention and recovery program, (2) a joint vocational school district that operates an adult education program, or (3) a community college, university branch, technical college, or state community college.

- For fiscal year 2015, limits the combined enrollment of individuals ages 22 and above under the act's provisions to 1,000 individuals on a full-time equivalency basis, as determined by the Department.

- Requires the Department to annually pay an educational entity, for each individual enrolled under the act's provisions, $5,000 times the individual's enrollment on a full-time equivalency basis, as reported by the entity and certified by the Department, times the percentage of the school year in which the individual is enrolled.

- Specifies that an individual enrolled under the act's provisions may elect to satisfy the requirements to earn a high school diploma by successfully completing a competency-based instructional program that complies with standards adopted by the State Board of Education.

- Requires a joint vocational school district, community college, university branch, technical college, or state community college, if an individual completes the requirements for a diploma, to certify the completion to the city, local, or exempted village school district in which the individual resides, which then must issue a high school diploma to the individual.

- Requires the Department, by December 31, 2015, to prepare and submit a report to the General Assembly regarding services provided to individuals ages 22 and above under the act's provisions.

Eligibility for the GED tests

- Specifies that a person who is at least 18 years old (rather than 19 as under prior law) may take the tests of general educational development (GED) without additional

administrative requirements if the person is officially withdrawn from high school and has not received a high school diploma.

- Requires a person who is at least 16 but less than 18 years old and who applies to take the GED to submit to the Department written approval only from the person's parent or guardian or a court official (eliminating the requirement to obtain approval from the school district superintendent or community school or STEM school principal where the person was last enrolled).

Other provisions

- Authorizes a board of education to use proceeds from the sale of school district real property for payment into a special fund for the construction or acquisition of permanent improvements.

- Authorizes all STEM schools and up to ten school districts that are members of the Ohio Innovation Lab Network to request a waiver from the state Superintendent for up to five school years from the administration of the elementary and secondary achievement assessments, teacher and administrator evaluations, and reporting student achievement data for report card purposes.

Funding for city, local, and exempted village school districts

Formula ADM

(R.C. 3317.02)

The act adds to a city, local, or exempted village school district's "formula ADM," which is the student count used to calculate state payments to the district under the funding formula, 20% of the number of students who are entitled to attend school in the district and are enrolled in another school district under a career-technical education compact. Under law retained by the act, a district's formula ADM also includes the enrollment reported by a district, as verified by the Superintendent of Public Instruction, and adjusted to count only 20% of the number of the district's career-technical education students who are enrolled in a joint vocational school district (JVSD).[18] (JVSDs are separate taxing districts that provide career-technical education classes and courses for the students of member city, exempted village, and local school

[18] This number excludes students entitled to attend school in the district who are enrolled in another school district through an open enrollment policy and then enroll in a JVSD or under a career-technical education compact. R.C. 3317.03(A)(3), not in the act.

districts.) The fractional student counts account for career-technical education students who are educated elsewhere but for whom their resident city, exempted village, and local school districts continue to be responsible for their curriculum completion and high school diplomas.

Targeted assistance funding

(R.C. 3317.0217)

The act specifies that, for purposes of the calculation of targeted assistance funding for city, local, and exempted village school districts (which is a categorical subsidy based on a district's property value and income), "net formula ADM" does not include 75% of the number of a district's students that are attending a science, technology, engineering, and mathematics (STEM) school. Under continuing law, for each student enrolled in a STEM school, 25% of the per-pupil amount of targeted assistance computed for the student's resident school district is deducted from the state education aid of that district's account and paid to the STEM school.[19] Thus, the act's change to the calculation of a district's targeted assistance payment appears to align with the current STEM school payment provision.

Funding for community schools

(R.C. 3314.08)

The act requires the Department to pay to each community school, including each Internet- and computer-based community school, 20% of the formula amount ($5,800 for fiscal year 2015) for each of the school's students who are not taking career-technical education classes provided by the school but who are enrolled in career-technical education programs or classes at a joint vocational school district or another district in the career-technical planning district to which the school is assigned. For each student for whom a payment is made under the act's provisions, the Department must make a corresponding deduction from the state education aid of the student's resident district. This payment is similar to a payment that was made to community schools under previous school funding formulas, in effect prior to the enactment of the current funding system in H.B. 59.

[19] R.C. 3326.33, not in the act.

Adult Career Opportunity Pilot Program

(R.C. 3313.902; Sections 610.20 and 610.21 (amending Sections 263.10 and 263.270 of H.B. 59 of the 130th General Assembly))

The act establishes the Adult Career Opportunity Pilot Program to permit certain institutions, with approval of the State Board of Education and the Chancellor of the Board of Regents, to develop and offer programs of study that allow eligible students (those who are at least 22 years old and have not received a high school diploma or a certificate of high school equivalence) to obtain a high school diploma. For purposes of this provision, an eligible institution is a community college, technical college, state community college, or "Ohio technical center" recognized by the Chancellor that provides post-secondary workforce education.

Program approval

A program may be approved if it:

(1) Allows an eligible student to complete the requirements for obtaining a high school diploma while completing requirements for an industry credential or certificate that is approved by the Chancellor;

(2) Includes career advising and outreach; and

(3) Includes opportunities for students to receive a competency-based education.

The act requires the state Superintendent, in consultation with the Chancellor, to adopt rules for the implementation of the Adult Career Opportunity Pilot Program, including the requirements for applying for program approval.

Planning grants

The act permits the state Superintendent to award planning grants in fiscal year 2015 of up to $500,000 to no more than five eligible institutions geographically dispersed across the state and appropriates funds for this purpose. These grants must be used to build capacity to implement the program beginning in the 2015-2016 academic year. The Superintendent and the Chancellor, or their designees, must develop an application process for awarding these grants.

The act specifies that any amount of the appropriation that remains after providing grants to eligible institutions may be used to provide technical assistance to the eligible institutions that receive grants under the act's provisions.

Recommendations

The act requires the state Superintendent, in consultation with the Chancellor, the Governor's Office of Workforce Transformation, the Ohio Association of Community Colleges, Ohio Technical Centers, Adult Basic and Literacy programs, and other interested parties as deemed necessary, or their designees, to develop recommendations for the method of funding and other associated requirements for the pilot program. The Superintendent must report the recommendations to the Governor, the President of the Senate, and the Speaker of the House by December 31, 2014.

Enrollment of individuals ages 22 and above

(R.C. 3314.38, 3317.01, 3317.036, 3317.23, 3317.231, 3317.24, and 3345.86; Sections 610.20 and 610.21 (amending Sections 263.10 and 263.40 of H.B. 59 of the 130th General Assembly) Sections 733.10 and 733.20)

In addition to the Adult Career Opportunity Pilot Program described above, the act prescribes a separate set of provisions that authorize the enrollment of persons who are 22 years of age or older by specified public schools and public two-year colleges. Generally, only individuals who are between 5 and 22 years old, or between 3 and 22 years old if disabled, are entitled to a tuition-free public education.[20] Exceptions, not affected by the act, apply to certain veterans who enlist in the Armed Forces prior to attaining their high school diplomas.[21] While the act does not affect the general rule and the continuing exceptions, it does create a new limited path for older individuals to earn their high school diplomas.

Under the act, beginning in fiscal year 2015, an individual who is at least 22 years old and has not received a high school diploma or a certificate of high school equivalence may enroll for up to two cumulative school years of additional tuition-free education in any of the following, for the purpose of earning a high school diploma:

(1) A city, local, or exempted village school district that operates a dropout prevention and recovery program;

(2) A community school that operates a dropout prevention and recovery program;

(3) A joint vocational school district that operates an adult education program;

[20] See R.C. 3313.64(B), not in the act.

[21] See R.C. 3314.08(L)(4), 3317.03(E)(4), and 3326.37(D), latter two sections not in the act.

(4) A community college, university branch, technical college, or state community college.

For fiscal year 2015, the act limits the combined enrollment of such individuals to 1,000 individuals on a full-time equivalency basis as determined by the Department.

The act specifically prohibits a district or community school from assigning an individual enrolled under the act's provisions to classes or settings with students who are younger than 18 years of age.

Funding

Reports of student enrollment

The act requires the superintendent of each city, local, and exempted village school district to report to the State Board of Education as of the last day of October, March, and June of each year the enrollment, on a full-time equivalency basis, of individuals under the act's provisions. It also requires the superintendent of each joint vocational school district to report and certify to the state Superintendent as of the last day of October, March, and June of each year the enrollment of individuals on a full-time equivalency basis under the act's provisions.

Additionally, each community school, community college, university branch, technical college, and state community college that enrolls individuals under the act's provisions must report that enrollment on a full-time equivalency basis to the Department.

Certification of enrollment and attendance

The Department must annually certify the enrollment and attendance, on a full-time equivalency basis, of each individual reported by a district, community school, community college, university branch, technical college, or state community college under the act's provisions.

State payments

The act requires the Department to pay to each qualified educational entity, for each individual enrolled under the act's provisions, $5,000 times the individual's enrollment on a full-time equivalency basis, as reported by the entity and certified by the Department, times the portion of the school year in which the individual is enrolled in the entity expressed as a percentage.

Completion of graduation requirements

Competency-based instructional program

An individual who enrolls under the act's provisions may elect to satisfy the requirements to earn a high school diploma by successfully completing a competency-based instructional program that complies with standards adopted by the State Board of Education (see "**Standards for the enrollment of individuals ages 22 and above**," below).

Certification of the completion of graduation requirements

If an individual enrolls in a joint vocational school district (JVSD), community college, university branch, technical college, or state community college under the act's provisions and completes the requirements to earn a high school diploma, the act requires the JVSD or institution to certify the completion of those requirements to the city, local, or exempted village school district in which the individual resides. That district, then, must issue a high school diploma to the individual.

Standards for the enrollment of individuals ages 22 and above

The act requires the State Board to adopt rules regarding the administration of programs that enroll individuals ages 22 and above under the act's provisions, including data collection, the reporting and certification of enrollment in the programs, the measurement of the academic performance of individuals enrolled in the programs, and the standards for competency-based instructional programs.

The act specifies that each educational entity that enrolls individuals under the act's provisions is subject to these standards.

Report regarding services provided to individuals ages 22 and above

The act requires the Department, not later than December 31, 2015, to prepare and submit a report to the General Assembly regarding services provided to individuals ages 22 and above under the act's provisions.

Eligibility for the GED tests

(R.C. 3313.617)

The act specifies that a person who is at least 18 years old, rather than at least 19 years old as under prior law, may take the tests of general educational development (GED), without additional administrative requirements, if the person is officially withdrawn from school and has not received a high school diploma.

The act also specifies that a person who is at least 16 but less than 18 years old and who applies to take the GED must submit to the Department written approval from the person's parent or guardian or a court official. This is a change from prior law, which required written approval from the superintendent (or superintendent's designee) of the school district or the principal (or the principal's designee) of the community or STEM school where the person was last enrolled. Prior law *permitted* the Department to require approval of the person's parent or guardian or a court official, in addition to that of the district superintendent or school principal (or designee), if the person was younger than 18.

Identical provisions were also enacted in H.B. 487 of the 130th General Assembly, the 2014 K-12 education mid-biennium review act.

Background

The test of General Educational Development is a privately published indicator of a combination of experience, education, and self-study that is considered the equivalent of completing the requirements for a high school diploma for persons who have withdrawn from school. It was created in 1942 for World War II military personnel who left school early to enter military service. In Ohio, the State Board of Education issues a "high school equivalence diploma" to those who attain a passing score on all areas of the GED test.[22] Individuals may enroll in adult education classes and take practice tests to prepare for taking the test.

Use of proceeds from sale of school district real property

(R.C. 5705.10)

The act authorizes a school district board of education to use proceeds received on or after September 29, 2013, from the sale of real property for payment into a special fund for the construction or acquisition of permanent improvements. The contemplated permanent improvements include any property, asset, or improvement with an estimated life or usefulness of five years or more, including land and interests, and reconstructions, enlargements, and extensions having an estimated life or usefulness of five years or more.

Alternatively, continuing law authorizes a district board to use the proceeds to retire debt incurred by the district with respect to the real property that was sold, and to pay the proceeds in excess of the funds necessary to retire the debt into the district's capital and maintenance fund to be used only to pay for the costs of nonoperating

[22] R.C. 3313.611, not in the act, and O.A.C. 3301-41-01.

capital expenses related to technology infrastructure and equipment to be used for instruction and assessment.

Waiver from state assessments, teacher evaluations, and reports cards

(R.C. 3302.15 and 3326.29)

The act authorizes all STEM schools and up to ten school districts that are members of the Ohio Innovation Lab Network to submit to the state Superintendent a request for a waiver for up to five school years from any or all of the following:

(1) Administering the elementary and secondary achievement assessments;

(2) Teacher evaluations;

(3) Reporting of student achievement data for the purpose of report card ratings.

A district or STEM school that obtains a waiver must use an alternative assessment system in place of the state-mandated assessments. Within 30 days of receiving a waiver request, the state Superintendent must approve or deny the request or may request additional information from the district or STEM school. A waiver granted to a school district is contingent on an ongoing review and evaluation of the program for which the waiver was granted by the state Superintendent.

The act requires each request for a waiver to include the following:

(1) A timeline to develop and implement an alternative assessment system for the school district or STEM school;

(2) An overview of the proposed educational programs or strategies to be offered by the school district;

(3) An overview of the proposed alternative assessment system, including links to state-accepted and nationally accepted metrics, assessments, and evaluations;

(4) An overview of planning details that have been implemented or proposed and any documented support from educational networks, established educational consultants, state institutions of higher education, and employers or workforce development partners;

(5) An overview of the capacity to implement the alternative assessments, conduct the evaluation of teachers with alternative assessments, and the reporting of student achievement data with alternative assessments for the purpose of report card

ratings, all of which must include any prior success in implementing innovative educational programs or strategies, teaching practices, or assessment practices;

(6) An acknowledgement by the school district of federal funding that may be impacted by obtaining a waiver;

(7) The items from which the district or STEM school wishes to be exempt, which are the administration of state assessments, teacher evaluations, and reporting of student achievement data.

The act also requires each request to include the signature of all of the following:

(1) The superintendent of the school district or STEM school;

(2) The president of the district board or STEM school governing body;

(3) The presiding officer of the labor organization representing the district's or STEM school's teachers, if any;

(4) If the district's or STEM school's teachers are not represented by a labor organization, the principal and a majority of the administrators and teachers of the district or school.

The act requires the Department to seek a waiver from the testing requirements prescribed under the federal "No Child Left Behind Act of 2001" if necessary to implement the waiver program. It also requires the Department to create a mechanism for the comparison of the proposed alternative assessments and the state assessments as it relates to the evaluation of teachers and student achievement data for the purpose of state report card ratings.

Identical provisions were enacted in H.B. 487 of the 130th General Assembly, the 2014 K-12 education mid-biennium review act.

- Requires the Director of Environmental Protection to administer, in part, a Clean Diesel School Bus Program, rather than a Diesel Emissions Reduction Revolving Loan Program, and eliminates the Diesel Emissions Reduction Revolving Loan Fund.

- Eliminates the sunset of the privilege provided to information and communications that are part of environmental audits by eliminating the stipulation that the privilege applied only with regard to audits completed before January 1, 2014.

Clean Diesel School Bus Program

(R.C. 122.861)

The act revises the Director of Environmental Protection's authority regarding reducing emissions from diesel engines by requiring the Director, in part, to administer a Clean Diesel School Bus Program rather than a Diesel Emissions Reduction Revolving Loan Program. The act then eliminates the Diesel Emissions Reduction Revolving Loan Fund. The Fund consisted of money appropriated to it by the General Assembly, any federal grants made under the Energy Policy Act of 2005, and any other grants, gifts, or other contributions. It was used for making loans for projects relating to certified engine configurations and verified technologies in a manner consistent with federal requirements.

Environmental audits

(R.C. 3745.71)

The act eliminates the sunset of the privilege provided to information and communications that are part of environmental audits by eliminating the stipulation that the privilege applied only with regard to audits completed before January 1, 2014. Under continuing law, privileged information and communications are not admissible as evidence or subject to discovery in any civil or administrative proceeding.

OHIO FACILITIES CONSTRUCTION COMMISSION

Local shares for certain Expedited Local Partnership districts

- Would have revised the method of determining a school district's priority for assistance, and local share, under the Classroom Facilities Assistance Program, if the district is participating in the Expedited Local Partnership Program and its tangible personal property valuation (not including public utility personal property) made up 18% or more of its total taxable value for tax year 2005 (VETOED).

Surety bond to secure water or energy savings

- Requires an energy services company to provide a surety bond if the Executive Director of the Ohio Facilities Construction Commission determines that such a bond is necessary to secure energy or water savings guaranteed in an installment payment contract promising those savings.

- Requires an energy services company to provide a surety bond if a board of education determines that such a bond is necessary to secure energy, water, or waste water savings guaranteed in an installment payment contract promising those savings.

- Specifies that such a surety bond has a term of not more than one year, and can be renewed for one or two additional terms not exceeding one year, but cannot be effective for more than three consecutive years.

- Specifies that the penal sum of such a surety bond is equal to the annual guaranteed savings amount measured and calculated in accordance with the measurement and verification plan included in the contract.

- Requires the annual guaranteed savings amount to be measured and calculated in each term-year of the surety bond, and limits liability on a renewed surety bond to the amount measured and calculated for the renewal year.

- Specifies that a surety bond filed by a person who is bidding on certain public improvement contracts cannot secure obligations related to energy, water, or waste water savings as are referenced in the surety bond provisions of the act.

CFAP shares for Expedited Local Partner districts (VETOED)

(R.C. 3318.36)

The Governor vetoed a provision that would have made an exception to the general requirement that school districts participating in the Expedited Local Partnership Program "lock in" their priority and local share percentage for their eventual district-wide projects under the Classroom Facilities Assistance Program (CFAP). Under the act, if a district's tangible personal property valuation, not including public utility personal property, made up 18% or more of its total taxable value for tax year 2005 (the year the tax on that property began to phase out), the district's priority for CFAP funding would have been based on the *smaller* of its percentile when it entered into the Expedited Local Partnership agreement or its current percentile. In addition, the district's share of its CFAP project cost would have been the *lesser* of (1) the percentage locked in under the Expedited Local Partnership agreement or (2) the percentage computed using its current wealth percentile. Due to the phase-out of tangible personal property from districts' total taxable valuations, a district's total taxable value may be significantly lower now than it was when it entered into its Expedited Local Partnership agreement. That lower valuation could result in a higher priority for state funds and a lower share of the total cost of its state-assisted project. The act would have permitted an affected Expedited Local Partnership district to take advantage of that lower current valuation.

Surety bond to secure promised energy or water savings

(R.C. 133.06, 156.03, and 3313.372)

The act requires an energy services company to provide a surety bond if the Executive Director of the Ohio Facilities Construction Commission determines that a surety bond is necessary to secure energy or water savings guaranteed in an installment payment contract entered into by the Commission promising these savings. The act also requires an energy services company to provide a surety bond if a board of education determines that a surety bond is necessary to secure energy, water, or waste water cost savings guaranteed in an installment payment contract entered into by the board promising these savings.

Such a surety bond has a term of not more than one year, and must be issued within 30 days of the beginning of the first savings guarantee year under the contract. At the option of the Executive Director or board of education, the surety bond can be renewed for one or two additional terms. Each renewal term cannot exceed one year. The surety bond cannot be renewed or extended so that it is in effect for more than three consecutive years.

The Executive Director or board of education must exercise the option to renew the surety bond by delivering a request for renewal to the surety not less than 30 days before the expiration date of the surety bond then existing. In the event of renewal, the surety must deliver a renewal certificate to the Executive Director or board of education within 30 days after the Executive Director or board of education requests renewal.

The penal sum of the surety bond must equal the amount of savings included in the annual guaranteed savings amount. The annual guaranteed savings amount is measured and calculated in accordance with the measurement and verification plan included in the contract, and does not include savings that are not measured, or that are stipulated, in the contract. An annual guaranteed savings amount applies for only the year for which it is measured and calculated. A renewal certificate therefore must reflect a revised penal sum that equals the annual guaranteed savings amount for the renewal year. The aggregate liability under a renewed surety bond cannot exceed the revised penal sum stated in the renewal certificate for the renewal year contemplated by the renewal certificate.

A surety bond filed by a person who is bidding on certain public improvement contracts with the state or a political subdivision or an agency thereof (other than the Department of Transportation) cannot secure obligations related to energy or water savings as are referenced in the surety bond provisions pertaining to the Commission, or energy, water, or waste water cost savings as are referenced in the surety bond provisions pertaining to boards of education.

- Clarifies that courtesy cards are permits and that courtesy card permit holders are not subject to the Ohio licensure requirements required of recognized out-of-state licensees.

- Allows courtesy card permit holders to supervise and conduct entombments in Ohio in addition to conducting funeral ceremonies and interments as under continuing law.

Funeral director courtesy card permits

(R.C. 4717.10)

The act clarifies that courtesy cards are permits and courtesy card permit holders are not subject to the Ohio licensure requirements required of recognized out-of-state licensees. A courtesy card permit is a special permit that may be issued to a funeral director licensed in a state that borders Ohio and who does not hold a funeral director's license under Ohio law. The act requires courtesy card permit holders to comply with Ohio law while engaged in funeral directing in Ohio and subjects courtesy card permit holders to the same discipline and discipline procedures as funeral director licensees. Former law did not expressly require courtesy card permit holders to comply with Ohio law while operating under a courtesy card permit.

The act allows courtesy card permit holders to supervise and conduct entombments in Ohio. Under continuing law, courtesy card permit holders may conduct funeral ceremonies and interments in Ohio.

DEPARTMENT OF HEALTH

Certificate of need

- Specifies that the Director of Health, when monitoring the activities of a person granted a certificate of need (CON), is to determine whether the activity for which the CON was granted is conducted in substantial accordance with the CON, and specifies that no activity is to be determined to be not in substantial accordance due to a decrease in bed capacity of a long-term care facility.

- Establishes a CON replacement procedure in place of a requirement under which a new CON had to be obtained for a change in the bed capacity or site of a long-term care facility or other failure to conduct an activity in substantial accordance with a previously granted CON.

- Provides that a long-term care bed that was proposed to be relocated in an approved CON remains eligible to be recategorized in an application for a replacement CON.

- Requires the Director to review, approve, or deny an application for a replacement CON in the same manner as the application for the approved CON application.

- Changes the deadline by which an affected person may submit to the Director written comments about a CON application.

- Allows a long-term care facility operated by a religious order under an exception to the CON law to provide care to individuals designated by the order as associate members.

Long-term care facilities

- Requires a Department of Health survey team to conclude a survey of a nursing facility not later than one business day after the survey team no longer needs to be on site at the facility for the survey.

- Requires the survey team to conduct an exit interview with a nursing facility not later than the day that the survey team concludes the survey.

- Clarifies the requirement that the Department deliver to a nursing facility a statement of deficiencies not later than ten days after an exit interview by expressly providing that this includes an exit interview at which a survey team discloses a finding that immediate jeopardy exists.

- Establishes requirements for long-term care facilities regarding residents who are identified as sex offenders in the Attorney General's Internet-based sex offender and child-victim offender database.

- Requires the Director to commence a licensing inspection of a nursing home or residential care facility not later than ten business days after receiving a request for an expedited inspection.

- Permits the Director, on request, to conduct a review of plans for a building that is to be used as a nursing home or residential care facility for compliance with building and safety codes.

- Authorizes the Director to charge a fee that is adequate to cover the expense of expediting the inspection or conducting the review.

Physician and Dentist Loan Repayment programs

- Permits participation in the Physician Loan Repayment Program and the Dentist Loan Repayment Program on a part-time basis.

- Requires program participants to provide services in settings approved by the Department.

- Permits teaching activities to count toward service hours to the extent specified in the contract between the physician or dentist and the Director.

- Requires that the contract specify the required length of service, weekly hours, maximum amount of repayment, and the extent to which teaching activities may be counted toward practice hours.

- Modifies the limit on the amounts of repayment to be made on behalf of a participating physician or dentist.

- Repeals a requirement that the Department mail to each participating physician or dentist a statement showing the amount repaid in the preceding year.

Lyme disease

- Requires a dentist, advanced practice registered nurse, physician assistant, or physician, when ordering a test for the presence of Lyme disease in a patient, to provide the patient or patient's representative certain information regarding Lyme disease testing.

- Permits a licensed veterinarian to report to the Department any test result indicating the presence of Lyme disease in an animal.

Other provisions

- Requires the Ohio Public Health Advisory Board to review and make recommendations regarding proposed changes to policies that apply to WIC program vendors.

- Eliminates the Alcohol Testing Program Fund and transfers the cash balance to the GRF.

- Requires tattoo parlor operators to ensure that invasive tattooing and body piercing equipment is disinfected and sterilized instead of requiring the operator to require the individual performing the procedure to disinfect and sterilize the equipment.

Certificate of need

(R.C. 3702.511, 3702.52, and 3702.526)

Replacement certificate of need

Continuing law requires a person seeking to engage in an activity regarding a long-term care facility to obtain a certificate of need (CON) from the Director of Health if the activity is a reviewable activity.[23] A long-term care facility is a nursing home, the portion of a facility certified as a skilled nursing facility or nursing facility under federal Medicare or Medicaid law, and the portion of a hospital that contains skilled nursing beds or long-term care beds.[24] Some of the reviewable activities that require a CON are constructing a new long-term care facility or replacing an existing one, increasing bed capacity, relocating beds, and spending more than 110% of the amount specified in an approved CON.

The Director must monitor the activities of a person granted a CON during the period beginning with the granting of the CON and ending five years after implementation of the activity for which the CON is granted. The act requires the Director, during that period, to monitor the activities of a person granted a CON to determine whether the reviewable activity for which the CON is granted is conducted in substantial accordance with the CON. The act provides that a reviewable activity

[23] R.C. 3702.53, not in the act.

[24] R.C. 3702.51, not in the act.

may not be determined to be not in substantial accordance with the CON due to a decrease in bed capacity.

The act establishes a procedure under which the Director has authority to grant a replacement CON so that an activity can be implemented in a manner that is not in substantial accordance with an approved CON. This replaces a requirement that a new CON be obtained for a proposed change within five years after an activity is implemented in a facility's bed capacity or site or any other failure to conduct a reviewable activity in substantial accordance with the approved application for which a CON is granted.

Prior law provided that any long-term care beds approved in a CON remained approved in the application for a replacement CON. The act provides instead that any long-term care beds that were proposed to be relocated in an approved CON remain eligible to be recategorized as a different category of long-term care beds in the application for a replacement CON.

The Director is required by the act to review, approve, or deny an application for a replacement CON in the same manner as the application for the approved CON.

Written comments from affected persons

Continuing law permits an affected person to submit written comments regarding a CON application. An affected person is (1) an applicant for a CON, including an applicant whose application is reviewed comparatively with the application in question, (2) the person who requested the reviewability ruling in question, (3) any person who resides in, or regularly uses long-term care facilities, within the service area served or to be served by the long-term care services that would be provided under the CON or reviewability ruling in question, (4) any long-term care facility that is located in the service area where the long-term care services would be provided under the CON or reviewability ruling in question, and (5) third-party payers that reimburse long-term care facilities for services in the service area where the long-term care services would be provided under the CON or reviewability ruling in question.

The act revises the deadline by which an affected person must submit written comments. Under prior law, the Director had to consider all written comments received by the 30th day after the notice that the CON application is complete was mailed or, in the case of CON applications under comparative review, by the 30th day after the Director mailed the last notice of completeness. The act provides instead that the Director must consider all written comments received by the 45th day after the CON application is submitted to the Director.

Religious orders

The Director is required by continuing law to accept for review a CON application for conversion of infirmary beds to long-term care beds if the infirmary meets all of the following conditions:

(1) Is operated exclusively by a religious order;

(2) Provides care exclusively to members of religious orders who take vows of celibacy and live by virtue of their vows within the orders as if related;

(3) Was providing care exclusively to members of such a religious order on January 1, 1994.

A long-term care facility granted a CON under this provision may provide care to individuals who are members of a religious order and to family members of those individuals. The act permits such a long-term care facility to also provide care to individuals designated by the religious order as associate members.

Long-term care facilities

Nursing facility surveys and exit interviews

(R.C. 5165.65 and 5165.68)

Continuing law designates the Department of Health as the state survey agency responsible for determining nursing facilities' compliance with the standards for participating in the Medicaid program. As part of the survey process, a Department survey team is required to conduct an exit interview with the person in charge of the nursing facility. The act requires a survey team to conclude a survey not later than one business day after the survey team no longer needs to be on site at the nursing facility for the survey. The team is required to conduct the exit interview not later than the day that the team concludes the survey. Prior law required that the exit interview be conducted at the conclusion of the survey.

Continuing law requires the Department to deliver to a nursing facility a statement of deficiencies not later than ten days after an exit interview. The act clarifies that this includes an exit interview at which a survey team discloses a finding that immediate jeopardy exists. Immediate jeopardy exists when one or more residents are in imminent danger of serious physical or life-threatening harm.

Sex offender residents

(R.C. 3721.122)

The act requires the administrator of a long-term care facility (nursing home, residential care facility, veteran's home, skilled nursing facility, nursing facility, county home, and district home) to search for an individual's name in the Attorney General's Internet-based sex offender and child-victim offender database before admitting the individual as a resident of the facility. If the search results identify the individual as a sex offender and the individual is admitted as a resident, the administrator must provide for the long-term care facility to do all of the following:

(1) Develop a plan of care to protect the other residents' rights to a safe environment and to be free from abuse;

(2) Notify all of the facility's other residents and their sponsors that a sex offender has been admitted as a resident and include in the notice a description of the plan of care;

(3) Direct the individual in updating the individual's address under state law governing the registration of sex offenders with county sheriffs and, if the individual is unable to do so without assistance, provide the assistance the individual needs to update the individual's address.

Expedited inspections and plan review

(R.C. 3721.02)

The act provides for a process by which a nursing home or residential care facility may submit a request to the Director to conduct either an expedited licensing inspection or a review of the plans for the building that is to be used as the nursing home or residential care facility for compliance with building and safety codes. Regarding a request for an expedited inspection, the Director must commence the inspection not later than ten business days after receiving the request. Regarding a request to review building plans, the Director is permitted to, conduct the requested review. To cover the expenses of expediting the inspection or conducting the review, the act permits the Director to charge a fee, which is to be used solely for the purpose of covering those expenses.

Physician and Dentist Loan Repayment programs

The act makes various changes to the Physician Loan Repayment Program and the Dentist Loan Repayment Program, which offer funds to repay some or all of the

educational loans of physicians and dentists who agree to provide primary care or dental services in health resource shortage areas.

Participation requirements

(R.C. 3702.71, 3702.74(B), and 3702.91)

The act permits physicians and dentists to participate in the loan repayment programs on a part-time basis. The act defines part-time practice as working between 20 and 39 hours per week for at least 45 weeks per year and full-time practice as working at least 40 hours per week for at least 45 weeks per year.

The act specifies that the outpatient or ambulatory setting in which a participating physician provides primary care services and the service site in which a participating dentist provides dental services must be approved by the Department.

The act permits a physician or dentist to count teaching activities toward the physician's or dentist's full-time or part-time practice. For physicians, "teaching activities" is defined as providing clinical education to students and residents regarding the physician's practice area at the site specified in the participation contract. For dentists, "teaching activities" is defined as supervising dental students and residents at the service site specified in the letter of intent. The extent to which teaching activities can count toward a physician's or dentist's full-time or part-time practice must be specified in the participation contract.

Participation contract

(R.C. 3702.74(C) and 3702.91(C))

The act specifies terms that must be included in the participation contract between the physician or dentist and the Director. Those terms include:

(1) The physician's or dentist's required length of service, which must be at least two years;

(2) The number of weekly hours the physician or dentist will be engaged in part-time or full-time practice;

(3) The maximum amount that the Department will repay on behalf of the physician or dentist;

(4) The extent to which the physician's or dentist's teaching activities will be counted toward the full-time or part-time practice hours.

Repayment amounts

(R.C. 3702.75, 3702.91(D), 3702.91(E), and 3702.93)

The act modifies the limit on the amount of repayment that will be made on behalf of a participating physician or dentist. It leaves the amount of repayment to the discretion of the Department, unless that amount includes funds from the Bureau of Clinician Recruitment and Service in the U.S. Department of Health and Human Services. In that case, the act specifies that the amount of state funds used for repayment on the participant's behalf must match the amount of the federal funds. The act also requires that the amount of repayment be specified in the participation contract.

The act repeals a provision that requires the Department to mail to each participating physician and dentist an annual statement showing the amount of repayment made on behalf of the physician or dentist in the preceding year.

Lyme disease

Information for patients

(R.C. 4715.15, 4723.433, 4730.093, and 4731.77)

The act requires that a dentist, advanced practice registered nurse, physician assistant, or physician, when ordering a test for the presence of Lyme disease in a patient, provide to the patient or patient's representative a written notice with the following information:

"Your health care provider has ordered a test for the presence of Lyme disease. Current testing for Lyme disease can be problematic and may lead to false results. If you are tested for Lyme disease and the results are positive, this does not necessarily mean that you have contracted Lyme disease. In the alternative, if the results are negative, this does not necessarily mean that you have not contracted Lyme disease. If you continue to experience symptoms or have other health concerns, you should contact your health care provider and inquire about the appropriateness of additional testing or treatment."

The act requires that the dentist, advanced practice registered nurse, physician assistant, or physician obtain a signature from the patient or patient's representative indicating receipt of the notice. The document containing the signature must be kept in the patient's record.

Reporting animal test results

(R.C. 4741.49)

The act permits a person holding a license, limited license, or temporary permit to practice veterinary medicine who orders a test for the presence of Lyme disease in an animal to report to the Department any test result indicating the presence of the disease. The act also permits the Director to adopt rules regarding the submission of test results. If the Director adopts rules, the act requires that the Director do so in accordance with the Administrative Procedure Act (R.C. Chapter 119.).

Advisory Board review of WIC vendor policies

(R.C. 3701.34 (primary) and 3701.132)

The act requires the Ohio Public Health Advisory Board to review and make recommendations to the Director regarding any proposed policy changes that pertain to entities serving or seeking to serve as vendors under the Special Supplemental Nutrition Program for Women, Infants, and Children, also known as the WIC program. The act provides that a WIC policy change that is a proposed rule is subject to procedures specified in continuing law. Any other proposed WIC program policy change is to be treated as a proposed rule, and the Advisory Board may follow all or part of the procedures that currently govern recommendations concerning proposed Department rules.

Alcohol Testing Program Fund

(R.C. 3701.83; Section 512.20)

The act eliminates the Alcohol Testing Program Fund and requires the Director of Budget and Management, on July 1, 2014, or as soon as possible thereafter, to transfer the cash balance in the Fund to the GRF. This Fund was used by the Director of Health to administer and enforce the Alcohol Testing and Permit Program.

Tattoo parlor equipment

(R.C. 3730.09)

The act requires tattoo parlor operators to ensure that all invasive equipment used to apply tattoos or body piercings is disinfected and sterilized according to Ohio law and regulations. Under prior law, the operator was required to make the individual who performs the tattoo or piercing disinfect and sterilize the equipment.

OHIO HOUSING FINANCE AGENCY

- Requires the Ohio Housing Finance Agency (OHFA) to submit its annual financial report and report of programs to the chairs of the committees dealing with housing issues in the House and the Senate.
- Requires the OHFA Executive Director to request to testify before those committees in regard to those reports.
- Expands the duties of the OHFA Executive Director relating to the management of the agency.
- Requires OHFA to demonstrate measurable and objective transparency, efficiently award funding to maximize affordable housing production, encourage national equity investment in low-income housing tax credit projects, and utilize resources to provide competitive homebuyer programs.

Annual reports

(R.C. 175.04)

Continuing law requires the Ohio Housing Finance Agency (OHFA) to submit an annual financial report, describing its activities during the reporting year, and an annual report of its programs, describing how the programs have met Ohio's housing needs, to the Governor, the Speaker of the House, and the President of the Senate. The act requires OHFA to also submit these annual reports to the chairs of the House and Senate committees dealing with housing issues within a time frame agreed to by OHFA and the chairs.

Under the act, within 45 days of OHFA's issuance of the annual financial report, the OHFA Executive Director must request to appear in person before the committees to testify in regard to both the annual financial report and report of programs. The testimony must include all of the following:

(1) An overview of the annual plan to address Ohio's housing needs, which plan is required by continuing law;

(2) An evaluation of whether the objectives in the annual plan were met through a comparison of the annual plan with the annual financial report and report of programs;

(3) A complete listing, by award and amount, of all business and contractual relationships in excess of $100,000 between OHFA and other entities and organizations that participated in OHFA's programs during the fiscal year reported by the annual financial report and report of programs;

(4) A complete listing, by award and amount, of the low-income housing tax credit syndication and direct investor entities for projects that received tax credit reservations and IRS Form 8609 (the Low-Income Housing Credit Allocation and Certification form) during the fiscal year.

Duties of OHFA Executive Director

(R.C. 175.05 and 175.053)

The act requires the OHFA Executive Director to ensure that policies and procedures are developed and maintained for the operation and administration of OHFA's programs and activities that (1) encourage competition and minimize concentration and (2) address all applicable state and federal requirements.

Additionally, the act requires the Executive Director to provide an update, during the testimony required by the act, on any audits performed during the fiscal year (see "**Annual reports**," above).

Program duties

(R.C. 175.06)

The act requires OHFA, in addition to its duties related to carrying out its programs under continuing law, to (1) demonstrate measurable and objective transparency, (2) efficiently award funding to maximize affordable housing production using cost-effective strategies, (3) encourage national equity investment in low-income housing tax credit projects, and (4) utilize resources to provide competitive homebuyer programs to serve low- and moderate-income persons.

DEPARTMENT OF JOB AND FAMILY SERVICES

Unemployment

- Breaks an individual's unemployment benefit registration period if the individual fails to report to the Director of the Ohio Department of Job and Family Services (ODJFS) or reopen an existing claim as required under continuing law, thus allowing the Director to immediately cease benefit payments until the requirement is satisfied.

- Expands continuing law's list of the types of compensation that are not considered "remuneration" for purposes of Ohio's Unemployment Compensation Law, thus matching the federal exclusions.

- Requires penalties recovered for fraudulent payments and deposited into the Unemployment Compensation Fund under continuing law to be credited to the Mutualized Account within that Fund.

- Eliminates a $500 forfeiture that was required to be assessed against any employer who failed to furnish information to the ODJFS Director as required by the Unemployment Compensation Law.

- Excludes unemployment repayments made pursuant to unclaimed fund recoveries, lottery award offsets, and state tax refund offsets, from the continuing law order by which the ODJFS Director must credit employer accounts for amounts repaid.

Child care

- Permits a government or private nonprofit entity with which the ODJFS Director has contracted to inspect type B family day-care homes to subcontract that duty to another government or private nonprofit entity.

- Eliminates the ODJFS Director's authority to contract with a government or private nonprofit entity to license type B homes.

Publicly funded child care

- Permits an applicant to receive publicly funded child care while an eligibility determination is pending.

- Permits a licensed child care program to continue to be paid for providing publicly funded child care for up to five days after an applicant is determined ineligible.

- Permits a licensed child care program to appeal a denial of payment for publicly funded child care provided while an applicant's eligibility determination is pending.

- Permits a caretaker parent to continue receiving publicly funded child care for up to 13 weeks (during a 12-month period) despite failure to meet employment, education, or training requirements.

- Specifies that ODJFS, rather than county departments of job and family services (CDJFSs), is responsible for ensuring the availability of protective child care.

- Specifies that ODJFS, rather than CDJFSs, may require a caretaker parent to pay a fee for publicly funded child care.

- Specifies that ODJFS, rather than CDJFSs, may establish a waiting list for publicly funded child care when available resources are insufficient to provide it to all eligible families, and repeals law specifying CDJFS procedures with regard to waiting lists when resources become available.

- Repeals provisions that permitted CDJFSs to specify a maximum amount of income a family may have for eligibility for publicly funded child care that is higher than the amount specified by ODJFS.

Child support

- Requires ODJFS to develop and implement a real time data match program with the State Lottery Commission and its lottery sales agents and lottery agents to identify obligors who are subject to a final and enforceable determination of default made under a child support order in accordance with continuing Lottery Law procedures.

- Requires ODJFS to develop and implement a real time data match program with each casino facility's casino operator or management company to identify obligors who are subject to a final and enforceable determination of default made under a child support order.

Office of Human Services Innovation

- Establishes the Office of Human Services Innovation in ODJFS.

- Requires the Office, not later than January 1, 2015, to submit to the Governor recommendations regarding public assistance programs.

Ohio Healthier Buckeye Council and grant program

- Creates the Ohio Healthier Buckeye Advisory Council and the Ohio Healthier Buckeye Grant Program.

Initiatives to reduce reliance on public assistance

- Requires ODJFS to establish an evaluation system that rates CDJFSs, and permits CDJFSs to implement an evaluation system to rate caseworkers, in terms of their success with helping public assistance recipients obtain employment that enables them to cease relying on public assistance.

- Requires the ODJFS Director to establish the Ohio Works First Employment Incentive Pilot Program under which CDJFS caseworkers receive bonuses for helping Ohio Works First participants find employment that enables them to disenroll from Ohio Works First.

- Requires the Governor to convene a workgroup to develop proposals to help individuals to cease relying on public assistance.

Children's residential facilities

Information to be provided by facilities

- Requires a residential facility that cares for children to provide the following information to local law enforcement agencies, emergency management agencies, and fire departments:

    - Written notice that the facility is located and will be operating in the agency's or department's jurisdiction, of the address of the facility, that identifies the type of the facility, and that provides contact information for the facility;

    - A copy of the facility's procedures for emergencies and disasters;

    - A copy of the facility's medical emergency plan;

    - A copy of the facility's community engagement plan.

Community engagement plans

- Requires each private child placing agency (PCPA), private noncustodial agency (PNA), public children services agency (PCSA), or superintendent of a county or district children's home to establish a community engagement plan in accordance with rules adopted by ODJFS for each residential facility the agency or superintendent operates.

- Requires ODJFS's rules to include the contents of the community engagement plans, orientation procedures for training residential facility staff on implementation of the plan, and procedures for responding to incidents involving a child at the facility and neighbors or the police.

Child Placement Level of Care Tool pilot program

- Requires ODJFS to implement and oversee use of a Child Placement Level of Care Tool on a pilot basis for 18 months in up to ten counties.

- Requires ODJFS to provide for an independent evaluation of the pilot program to rate the program's success in certain areas.

- Requires ODJFS to seek maximum federal financial participation to support the pilot program and the evaluation and to seek state funding to implement the pilot program and to contract for the independent evaluation.

Children Services Funding Workgroup

- Establishes the Children Services Funding Workgroup in ODJFS to study the children services funding system and make recommendations to the ODJFS Director on how to distribute money appropriated by the act for children services.

Adult Protective Services Funding Workgroup

- Establishes the Adult Protective Services Funding Workgroup in ODJFS to study the adult protective services system and make recommendations to the ODJFS Director on how to distribute money appropriated by the act for adult protective services.

Disposal of county PCSA paper records

- Authorizes a PCSA to submit to the county records commission applications for one-time disposal, or schedules of records retention and disposition, of paper case records that have been entered into the state automated child welfare information system or other electronic files.

- Allows a county records commission to dispose of the paper case records under continuing law's record retention and disposal procedure.

Funds abolished

- Requires the Director of Budget and Management to transfer the balances of certain ODJFS funds to ODJFS's Administration and Operating Fund or the GRF and abolishes the funds after the transfers are made.

- Provides for all money (received from the sale of real property) that is no longer needed for the operations of the ODJFS Director under the state's Labor and Industry law to be deposited into the Unemployment Compensation Special Administrative Fund.

- Requires all interest earned on funds within the Benefit Account of the Unemployment Compensation Fund to be deposited into the Unemployment Compensation Fund.

Unemployment

Break in unemployment registration

(R.C. 4141.29(A))

The act defines what constitutes a "break" in an individual's unemployment registration. To be eligible for unemployment benefits, continuing law requires an individual, in addition to satisfying other requirements, to register with an employment office or other registration place maintained or designated by the Director of the Ohio Department of Job and Family Services (ODJFS). The individual is considered registered upon (1) filing an application for benefit rights, (2) making a weekly claim for benefits, or (3) reopening an existing claim following a period of employment or nonreporting.

Registration continues for a period of three calendar weeks, including the week during which the applicant registered. Under the act, an individual is not registered during any period in which the individual fails to report (defined under continuing law as contacting by phone, accessing electronically, or being present for an in-person appointment, as designated by the ODJFS Director), as instructed by the Director, or fails to reopen an existing claim following a period of employment. This allows the ODJFS Director to immediately cease benefit payments until the requirement is satisfied, rather than, as under prior law, continuing to issue payments during the three-week registration period and then determining the requirement was not satisfied, resulting in an overpayment the Director had to collect.

Definition of remuneration

(R.C. 4141.01(H))

The act expands continuing law's list of the types of compensation that are not considered "remuneration" for purposes of Ohio's Unemployment Compensation Law,

thus matching federal exclusions.[25] Remuneration is examined to determine the amount of contributions an employer must make to the Unemployment Compensation Fund, as well as the amount of unemployment benefits an individual may receive. In addition to types of compensation excluded under continuing law, the act excludes the following from being considered remuneration:

(1) Payments made to a health savings account or an Archer medical savings account, if it is reasonable to believe the employee will be able to exclude the payments from income;

(2) Remuneration on account of a stock transfer through an incentive stock option plan or employee stock purchase plan, or disposition of that stock;

(3) Any benefit or payment that is excluded from an employee's gross income if the employee is a qualified volunteer for an emergency response organization.

As a result of this change, the act also excludes the types of compensation listed above from an employee's "net take-home weekly wage" for purposes of determining the amount of the employee's temporary total disability compensation under Ohio's Workers' Compensation Law. The definition of that term in the Workers' Compensation Law cross-references to the definition of "remuneration" under Ohio's Unemployment Compensation Law.[26]

Penalty changes

Fraudulent payment penalty

(R.C. 4141.25 and 4141.35)

In addition to other continuing law penalties, with respect to any fraudulent misrepresentation made with the object of obtaining unemployment benefits, the ODJFS Director must reject or cancel an individual's entire weekly claim for benefits that were fraudulently claimed, or in some cases, the individual's entire benefit rights. Additionally, the Director must assess a mandatory penalty on that individual equal to 25% of the total amount of benefits rejected or canceled. Of amounts collected, continuing law requires the first 60% of this penalty to be deposited into the Unemployment Compensation Fund. The act requires that the amount deposited in the Unemployment Compensation Fund be credited to the Mutualized Account within that Fund.

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[25] 26 United States Code (U.S.C.) 3306(b)(17) to (20).

[26] R.C. 4123.56, not in the act.

Quarterly reporting and forfeiture

(R.C. 4141.20)

Continuing law requires every employer, including those employers not otherwise subject to the Unemployment Compensation Law, to furnish the ODJFS Director upon request all information required by the Director to carry out the requirements of that Law. The Director also may examine under oath any employer for the purpose of ascertaining any information that the employer is required by the Law to furnish to the Director. The act eliminates a provision requiring an employer who failed to furnish information required by the Director to forfeit $500. Under the eliminated provision, the amount had to be collected in a lawsuit brought against the employer in the name of the state.

The act also eliminates several expired requirements for quarterly reporting and forfeiture amounts.

Application of repayments within the Unemployment Compensation Fund

(R.C. 4141.35)

The act excludes unemployment repayments made pursuant to unclaimed fund recoveries, lottery award offsets, and state tax refund offsets, from the continuing law order by which the ODJFS Director must credit employer accounts in the Unemployment Compensation Fund for amounts repaid. Continuing law, from which these fund recoveries are excluded under the act, requires the Director to apply any repayment of improperly paid unemployment benefits first to the accounts of the individual's base period employers (employers with whom the claimant was employed for purposes of determining unemployment compensation benefits) that previously have not been credited for the amount of those improperly paid benefits that were charged against their accounts. If the amount of repayment is less than the amount of improperly paid benefits, the amount repaid must be split among these employer accounts based on the proportion of improperly paid benefits that were charged to each employer's account. The remainder is paid to the Mutualized Account.

Child care

Regulation of child care: background

(R.C. Chapter 5104.)

ODJFS and county departments of job and family services (CDJFSs) are responsible for the regulation of child care providers, other than preschool programs

and school child programs, which are regulated by the Ohio Department of Education.[27] Child care can be provided in a facility, the home of the provider, or the child's home. Not all child care providers are subject to regulation, but a provider must be licensed or certified to be eligible to provide publicly funded child care. The distinctions among the types of providers are described in the table below.

Child Care Providers		
Type	**Description/Number of children served**	**Regulatory system**
Child day-care center	Any place in which child care is provided as follows: --For 13 or more children at one time; or --For 7-12 children at one time if the place is not the permanent residence of the licensee or administrator (which is, instead, a type A home).	A child day-care center must be licensed by ODJFS, regardless of whether it provides publicly funded child care.
Family day-care home	**Type A home** – a permanent residence of an administrator in which child care is provided as follows: --For 7-12 children at one time; or --For 4-12 children at one time if 4 or more are under age 2. **Type B home** – a permanent residence of the provider in which child care is provided as follows: --For 1-6 children at one time; and --No more than 3 children at one time under age 2.	A type A home must be licensed by ODJFS, regardless of whether it provides publicly funded child care. To be eligible to provide publicly funded child care, a type B home must be licensed by ODJFS.
In-home aide	A person who provides child care in a child's home but does not reside with the child.	To be eligible to provide publicly funded child care, an in-home aide must be certified by a CDJFS.

Inspections and licensure of type B homes

(R.C. 5104.03)

As described above, a type B home that seeks to provide publicly funded child care must be licensed by ODJFS. When a license application is filed, the ODJFS Director must investigate and inspect the type B home to determine the license capacity for each

[27] R.C. 3301.51 to 3301.59, not in the act.

age category of children of the type B home and to determine whether the type B home complies with the child care law (R.C. Chapter 5104.) and rules adopted under that law. Prior law permitted the Director to contract with a government or private nonprofit entity to inspect and license type B homes.

The act eliminates the Director's authority to contract with a government or private nonprofit entity to license type B homes but retains that authority with respect to inspections. Additionally, it permits a government or private nonprofit entity with which the Director has contracted to inspect type B homes to subcontract that duty to another government or private nonprofit entity.

Publicly funded child care

(R.C. 5104.34, 5104.341, and 5104.38)

In Ohio, publicly funded child care is funded primarily through the federal Child Care and Development Block Grant and the Temporary Assistance for Needy Families (TANF) Block Grant, as well as state maintenance of effort funds. Each year, the Child Care and Development Fund (CCDF), a federal program administered by the U.S. Department of Health and Human Services (HHS), provides grants to states to assist low-income working families in obtaining child care.[28] Eligible families may select from any licensed child care provider, including day-care centers and home-based settings. TANF funds used for child care are subject to the CCDF limitations.[29]

ODJFS has been designated the lead state agency responsible for the administration and coordination of CCDF funding.[30] To obtain CCDF grant money, ODJFS must submit, every two years, an application and plan to HHS for its approval. As a part of this process, ODJFS must provide assurances to HHS that it will comply with federal law.[31]

Presumptive eligibility

In accordance with rules the act requires the ODJFS Director to adopt, the act permits an applicant to receive publicly funded child care once during a 12-month period while the CDJFS determines eligibility. Additionally, a licensed child care program may continue to be paid for providing publicly funded child care for up to five

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[28] 42 U.S.C. 9858n.

[29] 42 U.S.C. 618(c).

[30] R.C. 5104.30, not in the act.

[31] 42 U.S.C. 9858c.

days after an applicant is determined ineligible, if the CDJFS received a completed application and all required documentation. The act authorizes a program to appeal a denial of payment pursuant to rules the act requires the Director to adopt.

Under the act, an applicant no longer must wait until eligibility is determined before beginning to receive child care services. This means that some applicants may receive publicly funded child care despite being ineligible for it. Federal law does not contemplate providing publicly funded child care to ineligible persons, so these services will have to be paid for with state child care funds.

Continuous authorization

The act permits a caretaker parent to continue receiving publicly funded child care for up to 13 weeks despite failure to meet employment, education, or training requirements. As a general condition of eligibility for publicly funded child care under law unchanged by the act, recipients must be employed or participating in a program of education or training for an amount of time reasonably related to the time that the parent's children are receiving publicly funded child care. The act permits the recipient to remain authorized to receive publicly funded child care for a single period of up to 13 weeks that may not extend beyond the recipient's 12-month eligibility period. Because federal law does not permit providing publicly funded child care to persons who do not meet work requirements, the continuous authorization the act provides for will have to be funded with state child care funds.

Protective child care

Protective child care is publicly funded child care for the direct care and protection of a child who (1) has been adjudicated abused, neglected, or dependent or (2) is homeless and is otherwise ineligible for publicly funded child care.[32] Under prior law, CDJFSs were required to make protective child care services available to children without regard to the income or assets of the child's caretaker parent. The act instead assigns this responsibility to ODJFS.

Waiting lists

The act permits ODJFS, rather than CDJFSs, to establish a waiting list for publicly funded child care when available resources are insufficient to provide it to all eligible families. Prior law permitted a waiting list to be established by a CDJFS that determined that available resources were not sufficient to provide publicly funded child care to all eligible families who requested it. Separate waiting lists could be established based on

[32] R.C. 5104.01(JJ), not in the act.

income. The act does not extend to ODJFS the provisions of prior law that specified procedures for CDJFS waiting lists.

Maximum eligible income established by a CDJFS

Continuing law requires ODJFS to establish a maximum amount of income a family may have for initial and continued eligibility for publicly funded child care that may not exceed 200% of the federal poverty line. Under prior law, ODJFS had to specify procedures under which a CDJFS could establish a maximum amount higher than the amount established by ODJFS, if ODJFS set the maximum at less than 200% of the federal poverty line. The act eliminates a CDJFS's authority to establish a different maximum amount.

Fees paid by caretaker parents

The act permits ODJFS, rather than CDJFSs, to require a caretaker parent to pay a fee for publicly funded child care. Prior law permitted a CDJFS, to the extent permitted by federal law, to require a caretaker parent to pay a fee for publicly funded child care pursuant to a schedule of fees adopted by ODJFS.

Intercept child support from lottery prizes and casino winnings

(R.C. 3123.89 and 3123.90)

Lottery prize awards

Under the act, ODJFS must develop and implement a real time data match program with the State Lottery Commission and its lottery sales agents and lottery agents to identify obligors who are subject to a final and enforceable determination of default under the Support Order Default Law in accordance with continuing Lottery Law provisions regarding deducting child support arrearages from a lottery prize award. Once the program is implemented, ODJFS, in consultation with the Commission, must promulgate rules to facilitate withholding, in appropriate circumstances, by the Commission or its lottery sales agents or lottery agents of an amount sufficient to satisfy any past due support owed by an obligor from a lottery prize award owed to the obligor up to the amount of the award. The rules must describe an expedited method for withholding, and the time frame for transmission of the amount withheld to ODJFS.

Under continuing law, if the amount of a lottery prize award is $600 or more, the Director of the State Lottery Commission or the Director's designee must require the prize winner to affirm whether or not the person is in default under a support order. The Director or designee also can take any additional steps to determine default. If the

prize winner affirms or if the Director or designee determines that the person is in default, the Director or designee must temporarily withhold payment of the prize award and notify the child support enforcement agency (CSEA) that administers the support order. The CSEA is required to conduct an investigation to determine whether the prize winner is subject to a final and enforceable determination of default made under the Support Order Default Law. If the CSEA determines that the person is so subject, it must issue an intercept directive to the Director requiring a deduction from any unpaid prize award. A CSEA must issue an intercept directive within 30 days from receiving the notice. Within 30 days after the date on which the CSEA issues the intercept directive, the Director or designee must pay the amount specified in the intercept directive to the Office of Child Support in ODJFS.[33]

Casino winnings

The act requires ODJFS to develop and implement a real time data match program with each casino facility's casino operator or management company to identify obligors who are subject to a final and enforceable determination of default made under the Support Order Default Law. Upon the data match program's implementation, if a person's winnings at a casino facility are $600 or more, the casino operator or management company must refer to the data match program to determine if the person entitled to the winnings is in default under a support order. If the data match program indicates that the person is in default, the casino operator or management company must withhold from the person's winnings an amount sufficient to satisfy any past due support owed by the obligor identified in the data match up to the amount of the winnings.

Not later than seven days after withholding the amount, the casino operator or management company must transmit any amount withheld to ODJFS as payment on the support obligation.

ODJFS, in consultation with the Ohio Casino Control Commission, can adopt rules under the Administrative Procedure Act as are necessary for implementation of the data match program.

Office of Human Services Innovation

(R.C. 5101.061)

The act establishes the Office of Human Services Innovation in ODJFS. The Office must develop recommendations regarding the coordination and reform of state

[33] R.C. 3770.071, not in the act.

programs to assist Ohio residents in preparing for life and the dignity of work and to promote individual responsibility and work opportunity.

The ODJFS Director is required to establish the Office's organizational structure, is permitted to reassign ODJFS's staff and resources as necessary to support the Office's activities, and is responsible for the Office's operations. The Superintendent of Public Instruction, Chancellor of the Ohio Board of Regents, Director of the Governor's Office of Workforce Transformation, and Director of the Governor's Office of Health Transformation are required by the act to assist the ODJFS Director with leadership and organizational support for the Office.

The act requires the Office to submit recommendations to the Governor not later than January 1, 2015, for all of the following:

(1) Coordinating services across all public assistance programs to help individuals find employment, succeed at work, and stay out of poverty;

(2) Revising incentives for public assistance programs to foster person-centered case management;

(3) Standardizing and automating eligibility determination policies and processes for public assistance programs;

(4) Other matters the Office considers appropriate.

Not later than December 15, 2014, the Office must establish clear principles to guide the development of the recommendations, identify in detail problems to be addressed in the recommendations, and make an inventory of all state and other resources that the Office considers relevant to the development of the recommendations.

The act requires the Office to convene the directors and staff of the departments, agencies, offices, boards, commissions, and institutions of the executive branch of the state as necessary to develop the recommendations. The departments, agencies, offices, boards, commissions, and institutions must comply with all requests and directives that the Office makes, subject to the supervision of their directors. The Office also must convene other individuals interested in the issues that the Office addresses in the development of the recommendations to obtain their input on, and support for, the recommendations.

Healthier Buckeye Advisory Council, Grant Program

(R.C. 5101.91 and 5101.92; Section 551.10)

The act creates the Ohio Healthier Buckeye Advisory Council in ODJFS. The act also establishes the Ohio Healthier Buckeye Grant Program to be administered by the ODJFS Director.

Council

Under the act, the Ohio Healthier Buckeye Advisory Council may do all of the following:

(1) Develop means by which county healthier buckeye councils may reduce the reliance of individuals on publicly funded assistance programs. Continuing law authorizes each board of county commissioners to establish a county healthier buckeye council to reduce the reliance of individuals and families on publicly funded assistance programs (R.C. Chapter 355.);

(2) Recommend to the ODJFS Director eligibility criteria, application processes, and maximum grant amounts for the Ohio Healthier Buckeye Grant Program;

(3) Submit to the ODJFS Director, not later than December 1, 2014, recommendations for doing all of the following:

(a) Coordinating services across all public assistance programs to help individuals find employment, succeed at work, and stay out of poverty;

(b) Revising incentives for public assistance programs to foster person-centered case management;

(c) Standardizing and automating eligibility determinations, policies, and processes for public assistance programs.

Membership, appointments, and meetings

The act requires the Council to consist of the following members:

(1) Five members representing affected local private employers or local faith-based, charitable, nonprofit, or public entities or individuals participating in the Healthier Buckeye Grant Program, appointed by the Governor;

(2) Two members of the Senate, one from the majority party and one from the minority party, appointed by the Senate President;

(3) Two members of the House of Representatives, one from the majority party and one from the minority party, appointed by the Speaker;

(4) One member representing the judicial branch of government, appointed by the Chief Justice of the Supreme Court;

(5) Additional members representing any other entities or organizations the ODJFS Director determines are necessary, appointed by the Governor.

Initial appointments to the Council must be made not later than December 15, 2014. A member serves at the pleasure of the member's appointing authority and may be reappointed to the Council. Vacancies are to be filled in the same manner as original appointments. The act specifies that the ODJFS Director is to serve as the Council's chairperson and that the Council meets at the discretion of the Director.

Grant program

Under the act, the Ohio Healthier Buckeye Grant Program, administered by the ODJFS Director, is to provide grants to county healthier buckeye councils and CDJFSs. The act specifies that grants may be awarded on an individual county or multi-county council basis, an individual or multiple CDJFS basis, or a combination thereof.

In awarding grants, the ODJFS Director must give priority to county councils or CDJFSs with existing projects or initiatives that do the following:

(1) Improve the health and well-being of low-income individuals;

(2) Align and coordinate public and private resources to assist low-income individuals in achieving self-sufficiency;

(3) Use local matching funds from private sector sources;

(4) Implement or adapt evidence-based practices;

(5) Use volunteers and peer supports;

(6) Were created as a result of local assessment and planning processes;

(7) Demonstrate collaboration between entities that participate in assessment and planning processes.

Initiatives to reduce reliance on public assistance

Caseworker and CDJFS evaluation system

(R.C. 5101.90)

The act requires ODJFS, in consultation with representatives designated by the County Commissioners Association of Ohio and the Ohio Job and Family Services Directors Association, to establish an evaluation system that rates each CDJFS in terms of its success with helping public assistance recipients obtain employment that enables the recipients to cease relying on ODJFS- and CDJFS-administered programs that provide financial assistance or social services. CDJFSs are permitted by the act to implement an evaluation system established by ODJFS to evaluate an individual caseworker's success in helping a public assistance recipient obtain employment that enables the recipients to cease relying on public assistance programs. ODJFS must design the evaluation system in a manner that encourages caseworkers and CDJFSs to increase their success with helping public assistance recipients obtain employment that enables the recipients to cease relying on public assistance programs. The ratings are to be updated at least annually under the system.

Ohio Works First Employment Incentive Pilot Program

(Section 751.35)

The act requires the ODJFS Director to establish the Ohio Works First Employment Incentive Pilot Program. The pilot program is to be operated for three years in counties served by five CDJFSs the Director selects. The Director may select CDJFSs that serve one county, CDJFSs that serve multiple counties, or both types of CDJFSs. The pilot program must provide for a caseworker of a CDJFS participating in the pilot program to receive a bonus each time a former Ohio Works First participant who the caseworker helped find employment has not been on Ohio Works First for six months because the former participant ceased to qualify due to increased earnings resulting from the former participant's employment. The bonuses are subject to the availability of federal and state TANF funds.

ODJFS is to allocate $50,000 in fiscal year 2015 to each of the five CDJFSs that participate in the pilot program. The allocations are to come from ODJFS's appropriation for federal TANF block grant funds. The CDJFSs are to use the allocations for the administrative expenses they incur in participating in the pilot program. The CDJFSs are permitted to contract with one or more private entities to perform tasks for the CDJFSs under the pilot program.

The ODJFS Director is required to adopt rules to implement the pilot program. The rules must be adopted in accordance with the Administrative Procedure Act. The rules are to (1) specify the bonus a caseworker is to receive under the pilot program, (2) establish procedures to be used either to determine which caseworker is to receive the bonus or to divide the bonus among caseworkers when more than one caseworker qualifies for the same bonus, and (3) address any other matters the Director considers necessary to implement the pilot program.

The act requires the ODJFS Director to submit a report about the pilot program to the Governor and General Assembly and to make the report available to the public. The report is due not later than 90 days after the termination of the pilot program. The report is to include information about the pilot program's effectiveness in encouraging caseworkers to help Ohio Works First participants obtain employment and cease to participate in Ohio Works First. The report also must include recommendations for any changes that should be made to the pilot program before it is made permanent and expanded statewide.

Workgroup to reduce public assistance reliance

(Section 751.37)

The act requires the Governor to convene a workgroup to develop proposals to help individuals to cease relying on ODJFS- and CDJFS-administered programs that provide financial assistance or social services. This includes programs such as Ohio Works First; the Prevention, Retention, and Contingency Program; other TANF programs; the Supplemental Nutrition Assistance Program (i.e., food stamps); the Disability Financial Assistance Program; publicly funded childcare; and Title XX social services. The workgroup is to consist of the following individuals who the Governor is to appoint not later than October 15, 2014:

(1) The directors of the CDJFSs that serve the Ohio's three most populous counties;

(2) The directors of three CDJFSs that serve rural counties;

(3) The directors of three other CDJFSs;

(4) One county commissioner who serves an urban county and one county commissioner who serves a rural county.

A CDJFS director or county commissioner appointed to the workgroup may designate another representative to serve in the director's or commissioner's place on a temporary or ongoing basis as needed. The directors and commissioners, and their

designees, are to serve on the workgroup without compensation, except to the extent that serving on the workgroup is part of their regular duties of employment.

The Governor is required to designate one of the CDJFS directors appointed to the workgroup to serve as the workgroup's chairperson. The workgroup is to meet at the chairperson's call. ODJFS is required to provide support staff and meeting space as necessary to facilitate the workgroup's work.

The workgroup must issue a report of its proposals not later than March 14, 2015. The report is to be submitted to the Governor and General Assembly and is to be a public record. The workgroup ceases to exist on issuance of the report.

Children's residential facilities

Information to be provided by facilities

(R.C. 5103.05, 5153.21, and 5153.42)

The act requires the following residential facilities to provide specified information to local law enforcement agencies, emergency management agencies, and fire departments: (1) group homes for children, (2) children's crisis care facilities, (3) children's residential centers, (4) residential parenting facilities that provide 24-hour child care, (5) county children's homes, and (6) district children's homes. The act specifies that a foster home is not a residential facility.

Type of information to be provided

The act requires a residential facility, within ten days after the commencement of operations, to provide the following information to all county, municipal, or township law enforcement agencies, emergency management agencies, and fire departments with jurisdiction over the facility:

(1) Written notice that the facility is located and will be operating in the agency's or department's jurisdiction, of the address of the facility, that identifies the facility as a group home for children, children's crisis care facility, children's residential center, residential parenting facility, county children's home, or district children's home, and that provides contact information for the facility;

(2) A copy of the facility's procedures for emergencies and disasters established pursuant to rules adopted under continuing law;

(3) A copy of the facility's medical emergency plan established pursuant to rules adopted under continuing law;

(4) A copy of the facility's community engagement plan established pursuant to rules to be adopted under the act (see "**Community engagement plans**," below).

Within ten days of a facility's recertification by ODJFS, the act requires the facility to provide to all county, municipal, or township law enforcement agencies, emergency management agencies, and fire departments with jurisdiction over the facility updated copies of the facility's procedures for emergencies and disasters, medical emergency plan, and community engagement plan.

Notice rules

The act permits ODJFS to adopt rules in accordance with the Administrative Procedures Act necessary to implement the act's provisions regarding the notices to local law enforcement agencies, emergency management agencies, and fire departments.

Community engagement plans

(R.C. 5103.051, 5153.21, and 5153.42)

The act requires each private child placing agency (PCPA), private noncustodial agency (PNA), public children services agency (PCSA), or superintendent of a county or district children's home to establish a community engagement plan in accordance with rules adopted by ODJFS for each residential facility the agency or superintendent operates.

The act requires ODJFS to adopt rules in accordance with the Administrative Procedure Act that establish the following:

- The contents of a community engagement plan that includes the following:
    - Protocols for the community in which a residential facility is located to communicate concerns or other pertinent information directly to the agency;
    - Protocols for the agency in responding to such a communication.
- Orientation procedures for training residential facility staff on the implementation of the community engagement plan and procedures for responding to incidents involving a child at the facility and neighbors or the police.

The act requires ODJFS to file the initial rules regarding community engagement plans by December 14, 2014.

Facility definitions

(R.C. 5103.05, 5153.21, and 5153.42)

Each of the facilities subject to the act's provisions as residential facilities are defined as follows:

- **Group home for children:** any public or private facility that is operated by a PCPA, PNA, or PCSA, that has been certified by ODJFS to operate a group home for children, and that meets all of the following criteria:

  - Gives, for compensation, a maximum of ten children, including the children of the operator or any staff who reside in the facility, nonsecure care and supervision 24 hours a day by a person or persons who are unrelated to the children by blood or marriage, or who is not the appointed guardian of any of the children ("nonsecure care and supervision" means care and supervision of a child in a residential facility that does not confine or prevent movement of the child within the facility or from the facility);

  - Is not certified as a foster home;

  - Receives or cares for children for two or more consecutive weeks.

  "Group home for children" does not include any facility that provides care for children from only a single-family group, placed at the facility by the children's parents or other relative having custody.

- **Children's crisis care facility:** a facility that has as its primary purpose the provision of residential and other care to either or both of the following:

  - One or more preteens voluntarily placed in the facility by the preteen's parent or other caretaker who is facing a crisis that causes the parent or other caretaker to seek temporary care for the preteen and referral for support services;

  - One or more preteens placed in the facility by a PCSA or PCPA that has legal custody or permanent custody of the preteen and determines that an emergency situation exists necessitating the preteen's placement in the facility rather than another institution certified by ODJFS or elsewhere.

"Children's crisis care facility" does not include either of the following:

- Any organization, society, association, school, agency, child guidance center, detention or rehabilitation facility, or children's clinic licensed, regulated, approved, operated under the direction of, or otherwise certified by the Department of Education, a local board of education, the Department of Youth Services, the Department of Mental Health and Addiction Services, or the Department of Developmental Disabilities;

- Any individual who provides care for only a single-family group, placed there by their parents or other relative having custody.[34]

- **Children's residential center:** a facility that is operated by a PCPA, PNA, or PCSA, that has been certified by ODJFS to operate a children's residential center, and in which 11 or more children, including the children of any staff residing at the facility, are given nonsecure care and supervision 24 hours a day ("nonsecure care and supervision" has the same meaning as described above for a group home for children).

- **Residential parenting facility:** a facility operated by a PCPA, PNA, or PCSA, that has been certified by ODJFS to operate a residential parenting facility, in which teenage mothers and their children reside for the purpose of keeping mother and child together, teaching parenting and life skills to the mother, and assisting teenage mothers in obtaining educational or vocational training and skills.

- **County children's home:** a children's home established by a board of county commissioners upon the recommendation of a PCSA and certified by ODFJS.

- **District children's home:** a children's home established by a joint board of county commissioners upon the recommendation of the PCSAs of the participating counties and certified by ODFJS.

[34] R.C. 5103.13, not in the act.

Child Placement Level of Care Tool pilot program

(Sections 610.20 and 610.21 (amending Section 301.143 of H.B. 59 of the 130th General Assembly))

The act requires ODJFS to implement and oversee use of a Child Placement Level of Care Tool on a pilot basis. The act defines "Child Placement Level of Care Tool" as an assessment tool to be used by participating counties and agencies to assess a child's placement needs when a child must be removed from the child's own home and cannot be placed with a relative or kin not certified as a foster caregiver that includes assessing a child's functioning, needs, strengths, risk behaviors, and exposure to traumatic experiences.

Site selection and development

The act requires ODJFS to implement the pilot program in up to ten counties selected by ODJFS and must include the county and at least one PCPA or PNA. The pilot program must be developed with the participating counties and agencies and must be acceptable to all participants. A selected county or agency must agree to participate in the pilot program.

Duration of pilot program

The pilot program is to begin not later than December 13, 2014, and end not later than January 13, 2016. The length of the pilot program is not to include any time expended in preparation for implementation or any post-pilot program evaluation activity.

Independent evaluation

In accordance with the law administered by the Department of Administrative Services governing competitive bidding for the state, the act requires ODJFS to provide for an independent evaluation of the pilot program to rate the program's success in the following areas:

(1) Placement stability, length of stay, and other outcomes for children;

(2) Cost;

(3) Worker satisfaction;

(4) Any other criteria ODJFS determines will be useful in the consideration of statewide implementation.

The evaluation design is to include a comparison of data to historical outcomes or control counties and a prospective data evaluation in each of the pilot counties.

Funding

The act requires ODJFS to seek maximum federal financial participation to support the pilot program and the evaluation. Notwithstanding Ohio law regarding distribution and withholding of federal financial participation received for administrative and training costs incurred in the operation of foster care maintenance and adoption assistance programs, the act requires ODJFS to seek state funding to implement the pilot program and to contract for the independent evaluation.

Rule-making authority

The act permits ODJFS to adopt rules in accordance with the Administrative Procedure Act as necessary to carry out the purposes of the pilot program.

Children Services Funding Workgroup

(Sections 610.20 and 610.21 (amending Sections 245.10 and 301.10 of H.B. 59 of the 130th General Assembly) and 751.140)

The act creates the Children Services Funding Workgroup in ODJFS. Details about the Workgroup's membership, duties, and procedures are described below:

Duties	(1) Investigate programmatic or financial gaps in the children services funding system; (2) Identify best practices currently employed at the county level as well as those that can be integrated into the system; (3) Identify areas of overlap and linkages across all human services programs; (4) Coordinate with the Adult Protective Services Funding Workgroup in ODJFS, if that Workgroup is created.
Membership	(1) The ODJFS Director or the Director's designee; (2) The Director of Budget and Management or the Director's designee; (3) The Director of Health Transformation or the Director's designee; (4) The Director of Mental Health and Addiction Services or the Director's designee; (5) The Director of Developmental Disabilities or the Director's designee;

	(6) A representative of the Office of the Governor, appointed by the Governor; (7) Two members of the House of Representatives, one from the majority party and one from the minority party, appointed by the Speaker; (8) Two members of the Senate, one from the majority party and one from the minority party, appointed by the Senate President; (9) One representative of the Public Children Services Association of Ohio, appointed by the Governor; (10) One representative from the Ohio Department of Job and Family Services Executive Directors' Association, appointed by the Governor; (11) One representative from the County Commissioners Association of Ohio, appointed by the Governor; (12) Representatives of any other entities or organizations the ODJFS Director determines to be necessary, appointed by the Governor.
Appointment deadline	The Workgroup's members must be appointed not later than June 23, 2014.
Workgroup administration	The ODJFS Director must serve as the Workgroup's chairperson.
Workgroup recommendations	Requires the Workgroup, not later than September 30, 2014, to make recommendations to the ODJFS Director about: (1) Creating a distribution method for the $6.8 million appropriated for children services, for possible submission to the Controlling Board. (2) Requiring the distribution method to focus on targeted areas, including adoption, visitation, recurrence, and re-entry.
Workgroup termination	Provides that the Workgroup ceases to exist on June 16, 2015.
Appropriations	(1) Appropriates $6.8 million in fiscal year 2015 to a new Children Services appropriation item in the Controlling Board. (2) Permits the ODJFS Director to request a release and transfer of the $6.8 million from the item to an appropriation in ODJFS to be used to implement the Workgroup's recommendations. (3) Reduces by $6.8 million the Family and Children Services appropriation item in ODJFS.

Adult Protective Services Funding Workgroup

(Sections 610.20 and 610.21 (amending Section 245.10 of H.B. 59 of the 130th General Assembly) and 751.130)

The act creates the Adult Protective Services Funding Workgroup in ODJFS. Details about the Workgroup's membership, duties, and procedures are described below:

Duties	(1) Investigate programmatic or financial gaps in the adult protective services system; (2) Identify best practices currently employed at the county level as well as those that can be integrated into the system; (3) Identify areas of overlap and linkages across all human services programs; (4) Coordinate with the Children Services Funding Workgroup in ODJFS, if that Workgroup is created.
Membership	(1) The ODJFS Director or the Director's designee; (2) The Director of Budget and Management or the Director's designee; (3) The Director of Health Transformation or the Director's designee; (4) The Director of Aging, or the Director's designee; (5) The Director of Mental Health and Addiction Services or the Director's designee; (6) The Director of Developmental Disabilities or the Director's designee; (7) A representative of the Office of the Governor, appointed by the Governor; (8) Two members of the House of Representatives, one from the majority party and one from the minority party, appointed by the Speaker; (9) Two members of the Senate, one from the majority party and one from the minority party, appointed by the Senate President; (10) One representative from the Ohio Job and Family Services Executive Directors' Association, appointed by the Governor; (11) One representative from the County Commissioners Association of Ohio, appointed by the Governor;

	(12) One representative of the AARP, appointed by the Governor; (13) Representatives of any other entities or organizations the ODJFS Director determines to be necessary, appointed by the Governor.
Appointment deadline	The Workgroup's members must be appointed not later than June 23, 2014.
Workgroup administration	The ODJFS Director must serve as the Workgroup's chairperson.
Workgroup recommendations	Requires the Workgroup, not later than September 30, 2014, to make recommendations to the ODJFS Director about a distribution method for the $10 million appropriated to the new Adult Protective Services appropriation item, for possible submission to the Controlling Board.
Workgroup termination	Provides that the Workgroup ceases to exist on June 16, 2015.
Appropriations	(1) Appropriates $10 million in fiscal year 2015 to a new Adult Protective Services appropriation item in the Controlling Board. (2) Permits the ODJFS Director to request a release and transfer of the $10 million from the item to an appropriation in ODJFS to be used to implement the Workgroup's recommendations.

Disposal of county PCSA paper records

(R.C. 149.38)

The act authorizes a PCSA to submit to the county records commission applications for one-time disposal, or schedules of records retention and disposition, of paper case records that have been entered into permanently maintained and retrievable fields in the state automated child welfare information system established by ODJFS, or entered into other permanently maintained and retrievable electronic files. The county records commission may dispose of those paper case records under continuing law's record retention and disposal procedure. Under part of that procedure, the county records commission provides rules for the retention and disposal of county records, and reviews applications for one-time disposal of obsolete records and schedules of records retention and disposition submitted by county offices.

Under the act, "paper case records" are written reports of child abuse or neglect, written records of investigations, or other written records required to be prepared under continuing law. These records include records of investigations of children and families, children's care in out-of-home care, and abused, neglected, or dependent children; records of care and treatment provided to children and families; records of investigations of families, children, and foster homes, and of the care, training, and treatment afforded children; and any other information related to children and families that state or federal law requires ODJFS or a PCSA to maintain.

ODJFS funds abolished

(R.C. 3125.191 (repealed), 4141.09, 4141.11, and 4141.131; Section 512.30)

The act requires the Director of Budget and Management to transfer all cash in the following ODJFS funds to ODJFS's Administration and Operating Fund:

(1) The ABD Managed Care – Federal Fund;

(2) The ABD Managed Care – State Fund;

(3) The Adoption Connection Fund;

(4) The Banking Fees Fund;

(5) The BCII Service Fees Fund;

(6) The BES Automation Administration Fund;

(7) The BES Building Consolidation Fund;

(8) The BES Building Enhancement Fund;

(9) The Child & Adult Protective Services Fund;

(10) The Children's Hospitals – Federal Fund;

(11) The Child Support Activities Fund;

(12) The Child Support Operating Fund;

(13) The Child Support Special Payment Fund;

(14) The Child Support Supplement Fund;

(15) The Commission on Fatherhood Fund;

(16) The County Technologies Fund;

(17) The EBT Contracted Services Fund;

(18) The Federal Fiscal Relief Fund;

(19) The Ford Foundation Fund;

(20) The Ford Foundation Reimbursement Fund;

(21) The Health Care Grants Fund;

(22) The HIPPY Program Fund;

(23) The Income Maintenance Reimbursement Fund;

(24) The Interagency Programs Fund;

(25) The Job Training Program Fund;

(26) The Medicaid Admin Reimbursement Fund;

(27) The OhioWorks Supplement Fund;

(28) The Private Child Care Agencies Training Fund;

(29) The Public Assistance Reconciliation Fund;

(30) The State and Local Training Fund;

(31) The State Option Food Stamp Program Fund;

(32) The TANF Child Welfare Fund;

(33) The TANF – Employment & Training Fund;

(34) The TANF QC Reinvestment Fund;

(35) The Third Party Recoveries Fund;

(36) The Training Activities Fund;

(37) The Welfare Overpayment Intercept Fund;

(38) The Wellness Block Grant Fund.

The Director of Budget and Management is required to transfer to the GRF all cash in the OhioCare Fund, Human Services Stabilization Fund, and Managed Care Assessment Fund.

All of the transfers are to be completed by December 14, 2014, or as soon as possible thereafter. The funds from which the transfers are to be made are abolished on the transfers' completion.

Only four of the funds to be abolished were previously established in the Revised Code: the Banking Fees Fund, BES Building Consolidation Fund, BES Building

Enhancement Fund, and Child Support Operating Fund.[35] As part of the elimination of these funds, the act repeals the laws establishing them. The rest of the funds were established administratively.

Under prior law, earnest money from the sale of real property no longer needed for the ODJFS Director's operations under Title 41 of the Revised Code (Labor and Industry) had to be deposited into the BES Consolidation Fund and the balance of the purchase price had to be deposited into the BES Building Enhancement Fund (other than amounts needed to reimburse the Unemployment Compensation Special Administrative Fund for all costs associated with the sales). As part of the elimination of the BES Consolidation Fund and BES Enhancement Fund, the act requires that all money received from such sales be deposited into the Unemployment Compensation Special Administration Fund.

Prior law required the Treasurer of State to deposit interest collected on funds within the Benefit Account of the Unemployment Compensation Fund into the Banking Fees Fund for the purpose of paying banking costs, and any excess interest had to be deposited into the Unemployment Trust Fund. As part of the elimination of the Banking Fees Fund, the act requires that all interest collected on funds within the Benefit Account be deposited into the Unemployment Trust Fund.

[35] The BES Consolidation Fund and BES Building Enhancement Fund were named the ODJFS Building Consolidation Fund and ODJFS Building Enhancement Fund, respectively, in the Revised Code.

- Requires a reviewing court to determine whether a public children services agency (PCSA) or private child placing agency (PCPA) made reasonable efforts to finalize the permanency plan for a child.

- Requires a reviewing court that determines that a PCSA or PCPA has not made reasonable efforts to finalize the permanency plan to issue an order finalizing a permanency plan requiring the PCSA or PCPA to use reasonable efforts to permanently place the child and to finalize that placement.

- Amends a cross reference in a section of law that lists the circumstances under which a mediator may disclose otherwise confidential communications concerning a mediation to a court or other entity that may make a ruling on the dispute that is the subject of the mediation to do both of the following:

  --Add a reference to a section of law that details exceptions to the mediation communication privilege, including, for example, communications made in a public meeting and communications concerning imminent criminal activity.

  --Remove a reference to a section of law that states that except as provided in the Open Meetings Law and the Public Records Law, mediation communications are confidential to the extent provided by the parties' agreement or provided by rule or law.

Permanency plan approval and finalization

(R.C. 2151.417)

The act requires a juvenile court, when it is required to conduct a review hearing to approve a permanency plan for a child, to determine whether the responsible public children services agency (PCSA) or private child placing agency (PCPA) has made reasonable efforts to finalize it. If the court determines reasonable efforts were not made, the court must issue an order finalizing a permanency plan that requires the PCSA or PCPA to use reasonable efforts (those efforts include considering the child's health and safety as the paramount concern) to permanently place the child in a timely manner and take whatever steps are necessary to finalize that placement. Under continuing law, such review hearings are required: (1) regarding further disposition of a child under an expiring temporary custody order or expiring extension of such an order when the hearing takes the place of an administrative review hearing, (2) regarding the

yearly review of a child's placement, custody arrangement, and case plan, and (3) when a PCSA or PCPA is relieved of meeting the requirement to use reasonable efforts to prevent the removal of a child from the child's home, eliminate the continued removal of a child from the child's home, and return the child to the child's home, and the court does not return the child to the child's home.[36]

Mediation communications that may be disclosed

(R.C. 2710.06)

The act amends a cross reference in a section of law that lists the circumstances under which a mediator may disclose otherwise confidential communications concerning a mediation to a court, department, agency, or officer of the state or a political subdivision that may make a ruling on the dispute that is the subject of the mediation. Specifically, the act adds a reference to R.C. 2710.05, which lists exceptions to the mediation communication privilege. These exceptions include, for example, communications made in a public meeting and communications concerning imminent criminal activity. And, the act removes a reference to R.C. 2710.07, which states that except as provided in the Open Meetings Law and the Public Records Law, mediation communications are confidential to the extent provided by the parties' agreement or provided by rule or law.

Continuing law permits a mediator to disclose either of the following types of mediation communication to a court or other entity that may make a ruling on the dispute that is the subject of the mediation:

- Whether the mediation occurred or has terminated, whether a settlement was reached, and attendance;

- A mediation communication evidencing abuse, neglect, abandonment, or exploitation of an individual, if the communication is disclosed to a public agency responsible for protecting individuals against abuse, neglect, abandonment, or exploitation.

Under continuing law, unless an exception applies, mediation communications are *privileged*, meaning that the communications are not subject to discovery and are not admissible in evidence in a judicial proceeding. And, as described above, with certain exceptions, mediation communications are *confidential* to the extent provided by the parties' agreement or by rule or law, meaning that the communications must not be disclosed to any person except as provided by the agreement, rule, or law. Mediation

[36] R.C. 2151.415 and 2151.419, not in the act.

communications include statements made during a mediation or made for the purpose of considering, conducting, participating in, initiating, continuing or reconvening a mediation or retaining a mediator.[37]

[37] R.C. 2710.01(B), 2710.03, and 2710.07, not in the act.

- Voids a rule that required the Manufactured Homes Commission headquarters to be in Dublin, Ohio.
- States that nothing in the Commission's rules is to be construed to limit the Department of Administrative Services' authority to lease space for the use of a state agency and to group together state offices in any city in Ohio.

Manufactured Homes Commission headquarters

(R.C. 4781.04; Section 747.20)

The act voids a rule that required the Manufactured Homes Commission headquarters to be in Dublin, Ohio.[38] The act also states that nothing in the Manufactured Homes Law or in the Commission's rules is to be construed to limit the authority of the Department of Administrative Services to lease space for the use of a state agency and to group together state offices in any city in Ohio as provided in the Department of Administrative Services' Law.

[38] O.A.C. 4781-1-02.

- Authorizes a nursing facility to receive the higher of the two maximum quality incentive payment rates if it meets the accountability measure regarding a tool for tracking residents' admissions to hospitals.

- Establishes accountability measures for fiscal year 2016 and thereafter regarding the employment of an independent social worker or social worker and regarding the utilization of a person-centered method of medication delivery.

- Modifies provisions authorizing an alternative purchasing model for certain nursing facility services for residents with specialized health care needs, including establishing the authority on an ongoing basis.

- Provides that a new nursing facility is not required to file a Medicaid cost report for the first calendar year for which it has a Medicaid provider agreement if the agreement goes into effect after the first day of October of that year.

- Creates the Nursing Facility Behavioral Health Advisory Workgroup.

Nursing facilities' quality incentive payments

(R.C. 5165.25 (primary), 173.47, and 5165.23)

Continuing law provides for a quality incentive payment to be part of nursing facilities' Medicaid payments. A nursing facility's per Medicaid day quality incentive payment for a fiscal year is the product of $3.29 and the number of points it is awarded for meeting accountability measures. There is, however, a cap on the quality incentive payment. For fiscal year 2015 and thereafter, the following is the maximum quality incentive payment a nursing facility may be paid:

(1) $16.44 per Medicaid day if the nursing facility is awarded at least one point for meeting accountability measures regarding pain, pressure ulcers, physical restraints, urinary tract infections, and vaccinations.

(2) $13.16 per Medicaid day if the nursing facility fails to be awarded at least one point for the accountability measures specified above.

The act adds another accountability measure for which a nursing facility may be awarded a point and qualify for the higher maximum quality incentive payment. A nursing facility is to be awarded a point and qualify for the higher maximum payment

if it (1) uses a tool for tracking residents' admissions to hospitals and (2) annually reports to the Ohio Department of Medicaid (ODM) data on hospital admissions by month for all residents.

There are two accountability measures in continuing law for which a nursing facility may be awarded points only in fiscal year 2015. For a nursing facility to be awarded a point for the first of these measures, (1) at least 75% of the nursing facility's residents must have the opportunity, following admission and before completing or quarterly updating their individual plans of care, to discuss their goals for the care they are to receive at the nursing facility, including their preferences for advance care planning, with a member of the residents' health care teams that the nursing facility, residents, and residents' sponsors consider appropriate, (2) the nursing facility must record the residents' care goals in their medical records, and (3) the nursing facility must use the residents' care goals in the development of the residents' individual plans of care. For a nursing facility to be awarded a point for the second of these accountability measures, the nursing facility must (1) maintain a written policy that prohibits the use of overhead paging systems or limits the use of overhead paging systems to emergencies, as defined in the policy, and (2) communicate the policy to its staff, residents, and families of residents.

The act eliminates a provision that required ODM to submit recommendations to the General Assembly for accountability measures to replace the two accountability measures described above for which nursing facilities may be awarded points only for fiscal year 2015. The recommendations were due not later than July 1, 2014. The act adds two replacement accountability measures.

Nursing facilities may begin to be awarded points for the act's new accountability measures in fiscal year 2016. To be awarded a point for the first of these measures, a nursing facility must employ at least one social worker or independent social worker for at least 40 hours per week. To be awarded a point for the second, a nursing facility must utilize a person-centered method of medication delivery for its residents instead of utilizing a medication cart. The act defines "person-centered method of medication delivery" as a method of delivering medication to a nursing facility resident that allows flexibility in the time at which medication is administered to the resident to reflect the resident's preferences. This may include utilization of a locked medication cabinet in a nursing facility resident's room.

Alternative purchasing model for nursing facility services

(R.C. 5165.157 (primary) and 5165.15)

The act revises the law that permits the Medicaid Director to establish an alternative purchasing model for nursing facility services provided to Medicaid recipients with specialized health care needs. Under prior law, if the Director established the alternative purchasing model, all of the following applied to the model:

(1) It was to be operated only for fiscal years 2014 and 2015;

(2) It was to be established through a federal Medicaid waiver;

(3) It had to recognize a connection between enhanced Medicaid payment rates and improved health outcomes capable of being measured;

(4) It had to include criteria for identifying Medicaid recipients with specialized health care needs, including dependency on ventilators, severe brain injury, and the need to be admitted to a long-term acute care hospital or a rehabilitation hospital if not for nursing facility services;

(5) It had to include procedures for ensuring that Medicaid recipients identified as having specialized health care needs receive nursing facility services under the model.

Under the act, the Medicaid Director is no longer restricted to establishing the model only for fiscal years 2014 and 2015. Instead, the Director may establish the model on an on-going basis. Additionally, the model does not have to be established through a federal Medicaid waiver. If the Director establishes the model, the Director is to take the following actions rather than the actions specified in prior law:

(1) Establish criteria that a discrete unit of a nursing facility must meet to be designated as a unit that, under the model, may admit and provide nursing facility services to Medicaid recipients with specialized health care needs. Any such criteria must provide for the unit to be excluded from the model if it is paid for nursing facility services in accordance with continuing law regarding nursing facility outlier services or the Centers of Excellence component of the Medicaid program. The criteria may require a nursing facility that has a discrete unit designated for participation in the model to report health outcome measurement data to ODM.

(2) Specify the health care conditions that Medicaid recipients must have to have specialized health care needs, which may include dependency on a ventilator, severe traumatic brain injury, the need to be admitted to a long-term acute care hospital or

rehabilitation hospital if not for nursing facility services, and other serious health care conditions;

(3) For each fiscal year, set the total per Medicaid day payment rate for nursing facility services provided under the model at either (a) 60% of the statewide average of the total per Medicaid day payment rate for long-term acute care hospital services as of the first day of the fiscal year or (b) another amount determined in accordance with an alternative methodology that includes improved health outcomes as a factor in determining the payment rate;

(4) Require, to the extent the Director considers necessary, a Medicaid recipient to obtain prior authorization for admission to a long-term acute care hospital or rehabilitation hospital as a condition of Medicaid payment for the facility's services.

Initial cost report for new nursing facilities

(R.C. 5165.10 and 5165.106)

The act provides that a new nursing facility is not required to file a cost report for the first calendar year for which the nursing facility has a Medicaid provider agreement if the initial provider agreement goes into effect after the first day of October of that calendar year. Under prior law, a new nursing facility was required to file with ODM a Medicaid cost report not later than 90 days after the end of the nursing facility's first three full calendar months of operation. However, ODM could grant a 14-day extension if the nursing facility provided ODM a written request for the extension and ODM determined that there was good cause for the extension. Except when a new nursing facility's initial cost report covered a period that began after the first day of October of a year, the nursing facility's next cost report was due not later than 90 days, or 104 days if an extension was granted, after the end of the calendar year during which it first participated in the Medicaid program.

Nursing Facility Behavioral Health Advisory Workgroup

(Section 751.120)

The act creates the Nursing Facility Behavioral Health Advisory Workgroup. The Workgroup is required to develop recommendations for a pilot project to designate a total of not more than 1,000 beds in discrete units of nursing facilities to serve individuals with behavioral health needs. The recommendations must include standards both for designating the discrete units and for enhanced Medicaid payments for services provided in the discrete units. The Workgroup must submit a report to the General Assembly not later than December 31, 2014. After submitting the report, the Workgroup ceases to exist.

The Workgroup includes 17 members: the Executive Director of the Governor's Office of Health Transformation or a designee; the Director of Mental Health and Addiction Services or a designee; the Director of Health or a designee; the Medicaid Director or a designee; the State Long-Term Care Ombudsman or a designee; a majority party member and a minority party member of the House of Representatives; a majority party member and a minority party member of the Senate; and two representatives each from the Ohio Health Care Association, LeadingAge Ohio, NAMI Ohio, and the Academy of Senior Health Sciences. The act requires members to be appointed by September 30, 2014, and any vacancies are to be filled in the same manner as the original appointments. Members cannot receive compensation or reimbursement for expenses incurred while serving on the Workgroup, but may receive any compensation or benefits earned from their regular employment.

The act requires the Executive Director of the Governor's Office of Health Transformation or the Executive Director's designee to serve as the chairperson. Staff and other support services are to be provided by ODM.

- Defines the term "massage therapy" for the purposes of the law governing certification of massage therapists by the State Medical Board.
- Allows the Board to adopt rules to establish continuing education requirements for all of the limited branches of medicine regulated by the Board, and eliminates the statutory requirements for continuing education for cosmetic therapists.
- Authorizes the Board to accept money from a fine, civil penalty, or seizure or forfeiture of property.

Definition of massage therapy

(R.C. 4731.15)

Under continuing law individuals engaging in the practice or massage therapy are regulated by the State Medical Board. For purposes of the Board's certification of massage therapists, the act defines "massage therapy" as "the treatment of disorders of the human body by the manipulation of soft tissue through the systematic external application of massage techniques including touch, stroking, friction, vibration, percussion, kneading, stretching, compression, and joint movement within the normal physiologic range of motion; and adjunctive thereto, the external application of water, heat, cold, topical preparations, and mechanical devices." Prior law had no definition of the term.

Continuing education for limited branch practitioners

(R.C. 4731.155)

The act allows the Board to adopt rules in accordance with the Administrative Procedure Act to establish continuing education requirements to renew a certificate issued by the Board to practice any of the following limited branches of medicine: (1) massage therapy, (2) cosmetic therapy, (3) naprapathy, (4) and mechanotherapy.

Of the four limited branches, prior law required only cosmetic therapists to complete continuing education requirements to renew a certificate, and the act eliminates those statutory requirements.

Under prior law, a cosmetic therapist had to complete every two years no less than 25 hours of continuing education in a program approved by the Board. The

cosmetic therapist had to submit a sworn affidavit asserting compliance with the requirements. Under prior law, the Board only had the power to pro-rate or excuse the number of required continuing education hours in limited circumstances. The act also eliminates the provision that stated a cosmetic therapist's failure to comply with the prior continuing education provision constituted a failure to renew the registration.

Acceptance of money from a fine, penalty, or seizure

(R.C. 4731.24 and 4731.241)

Under state and federal law, fines and penalties may be imposed or property seized or forfeited for violation of criminal laws or civil prohibitions. Ohio law permits the sale of forfeited property and specifies how the proceeds are to be dispersed.[39] The act authorizes the Board to accept from the state, a political subdivision of the state, or the federal government money that results from a fine, civil penalty, or seizure or forfeiture of property. Any money received by the Board under this authority must be deposited in the State Medical Board Operating Fund, which was created prior to the act, and may be used only to further the investigation, enforcement, and compliance activities of the Board.

[39] R.C. 2981.13, not in the act.

DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES

ADAMHS board members

- Modifies the criteria to be considered when appointing members of a board of alcohol, drug addiction, and mental health services (ADAMHS board) who must be recipients of mental health or addiction services by eliminating a provision requiring those services to be publicly funded.

ADAMHS board's continuum of care

- Requires, beginning September 15, 2016, that the addiction and mental health services that are part of the continuum of care established by an ADAMHS board include intensive and other supports, recovery support, prevention and wellness management, sub-acute detoxification, and an array of treatment and support services for all levels of opioid and co-occurring drug addiction.

- Requires that the array of treatment and support services include at least ambulatory and sub-acute detoxification, nonintensive and intensive outpatient services, medication-assisted treatment, peer mentoring, residential treatment services, recovery housing, and 12-step approaches.

- Establishes requirements and options for the recovery housing that is part of the array of treatment and support services, including requirements regarding who may and may not own and operate the recovery housing.

- Requires an ADAMHS board's proposed budget to identify funds the board has available for the array of treatment and support services required to be included in the continuum of care.

- Requires the Ohio Department of Mental Health and Addiction Services (ODMHAS) to disapprove an ADAMHS board's proposed budget if the proposed budget would not make available in the board's service district the essential elements required to be included in the continuum of care.

- Requires ODMHAS to withhold funds otherwise to be allocated to an ADAMHS board if the board's use of federal or state funds fails to comply with the board's approved budget and if ODMHAS disapproves all or part of the board's annual community addiction and mental health services plan, budget, or statement of services.

- Establishes duties for community addiction services providers regarding treatment and support services required to be included in an ADAMHS board's continuum of

care, including requirements regarding waiting lists and reports of information to ADAMHS boards.

- Requires ADAMHS boards to compile the information they receive from community addiction services providers and to make certain determinations regarding denied applications for services included in the array of treatment and support services for all levels of opioid and co-occurring drug addiction.

- Requires ADAMHS boards to report to ODMHAS the information they compile and determine and all other information the ODMHAS Director requires.

- Requires ODMHAS to make the reports it receives from ADAMHS boards available on its website.

ODMHAS's procedures when an ADAMHS board is out of compliance

- Gives an ADAMHS board, when it receives a notice from ODMHAS that the board is out of compliance with statutory requirements, the option to submit to ODMHAS evidence of corrective action the board took to achieve compliance.

- Provides that an ADAMHS board has 30, instead of 10, days to present its position that it is in compliance or to submit evidence of corrective action, and requires ODMHAS to hold a hearing within 30, instead of 10, days after receiving the board's position or evidence.

- Permits ODMHAS to appoint a representative of another ADAMHS board that is in compliance to serve as a mentor for the board in developing and executing a plan of corrective action.

Intake and resumption of services procedures

- Requires the ODMHAS Director to adopt rules to (1) streamline provider intake procedures and (2) enable providers to retain patients as active patients even though the patients last received services more than 30 days before resumption of services.

Mental health and drug addiction services for returning offenders

- Requires the ADAMHS boards serving Cuyahoga, Franklin, Hamilton, Montgomery, and Summit counties to prioritize the use of certain funds to temporarily assist offenders being released from state correctional facilities who have severe mental illnesses and substance use disorders in obtaining Medicaid-covered community mental health and drug addiction services.

Medical records

- Excludes medical records that are covered by release provisions under laws administered by ODMHAS from the general state law that establishes procedures for examining and copying medical records.

Charge-backs

- Requires that the expenses of returning a mentally ill person to the person's county of legal residence be charged to the county of residence, that a transcript of proceedings be sent to the probate court of the county of residence, and that if the person's residence cannot be established, the matter be referred to ODMHAS.

Franklin County Probate Court Mental Health Fund

- Expands the possible donors to the Franklin County Probate Court Mental Health Fund to include individuals, corporations, agencies, or organizations, in addition to the Franklin County ADAMHS and Developmental Disabilities (DD) boards.

- Expands the use of the money in the Fund for services for persons under the care of other guardianships, in addition to the Franklin County ADAMHS and DD boards.

- Authorizes the money in the Fund used for the establishment and management of adult guardianships to be utilized to establish a Franklin County guardianship service by creating a Franklin County Guardianship Service Board.

- Permits the members and the director, if any, of the Board to receive appointments from the Franklin County Probate Court to serve as guardians of both the person and estate of wards.

ADAMHS board member qualifications

(R.C. 340.02 and 340.021)

Under former law, each board of alcohol, drug addiction, and mental health services (ADAMHS board) was required to include at least one person who had received or was receiving mental health services paid for by public funds and at least one person who had received or was receiving addiction services paid for by public funds. The act eliminates the requirement that the qualifying services be publicly funded. As a result, each ADAMHS board must include at least one person who has received or is receiving mental health services, whether publicly funded or not, and at

least one person who has received or is receiving addiction services, whether publicly funded or not.

Similarly, under former law, each community mental health board that serves the function of an ADAMHS board with regard to mental health services was required to include at least one person who had received or was receiving mental health services paid for by public funds, and each alcohol and drug addiction services board that serves the function of an ADAMHS board with regard to addiction services was required to include at least one person who had received or was receiving addiction services paid for by public funds. For both a community mental health board and an alcohol and drug addiction services board, the act eliminates the requirement that qualifying services be publicly funded.

ADAMHS board's continuum of care

(R.C. 340.03 (primary), 340.01, 340.033, 340.034, 340.08, 340.09, 340.15, 340.20, 5119.21, 5119.22, 5119.25, 5119.362, 5119.363, and 5119.364; Section 812.40)

The act revises the law that requires each ADAMHS board to establish, to the extent resources are available, a continuum of care that provides for prevention, treatment, support, and rehabilitation services and opportunities. The revisions are to take effect September 15, 2016 (two years after the act's effective date).

Essential elements

Under continuing law, addiction and mental health services are among the essential elements that must be included as components of the continuum of care. These services include the following: outpatient, residential, partial hospitalization, and, where appropriate, inpatient care. Under prior law, a separate provision specified that categories in the continuum of care *could* include the following: inpatient, residential, outpatient treatment, intensive and other supports, recovery support, and prevention and wellness management. In place of the provision referring to permissive categories of services, the act requires the addiction and mental health services that are part of the continuum of care to include, in addition to the continuing law specification of outpatient, residential, partial hospitalization, and, where appropriate, inpatient care, the following services: intensive and other supports, recovery support, and prevention and wellness management. The act also requires the addiction and mental health services to include the following services that prior law did not expressly address: sub-acute detoxification and an array of treatment and support services for all levels of opioid and co-occurring drug addiction.

Prior law provided that the essential elements of the continuum of care included, *but were not limited to,* other services such as emergency services and crisis intervention.

The act eliminates the phrase "but not limited to" and instead provides for the continuum of care to include, in addition to the services expressly specified in statute, any additional component that the Ohio Department of Mental Health and Addiction Services (ODMHAS) determines is necessary to establish the continuum of care.

Array of services for opioid and co-occurring drug addiction

The act establishes requirements for the array of treatment and support services for all levels of opioid and co-occurring drug addiction that are to be included in the continuum of care. The services must include at least ambulatory and sub-acute detoxification, nonintensive and intensive outpatient services, medication-assisted treatment, peer mentoring, residential treatment services, recovery housing, and 12-step approaches. "Medication-assisted treatment" is defined as alcohol and drug addiction services that are accompanied by medication approved by the U.S. Food and Drug Administration for the treatment of drug addiction, prevention of relapse of drug addiction, or both.

The treatment and support services for all levels of opioid and co-occurring drug addiction must be made available in the service district of each ADAMHS board. Sub-acute detoxification and residential treatment services, however, may be made available through a contract with one or more providers located in other service districts. The treatment and support services must be made available in a manner that ensures that recipients are able to access the services they need for opioid and co-occurring drug addiction in an integrated manner and without delay when changing or obtaining additional treatment or support services for addiction. An individual seeking a treatment or support service included in the continuum of care is not to be denied the service on the basis that the service previously failed.

Recovery housing

As discussed above, recovery housing is one of the services the act requires to be included in the array of treatment and support services for all levels of opioid and co-occurring drug addiction that are to be part of the continuum of care. The act defines "recovery housing" as housing for individuals recovering from drug addiction that provides an alcohol and drug-free living environment, peer support, assistance with obtaining drug addiction services, and other drug addiction recovery assistance.

The act prohibits recovery housing from being owned or operated by a residential facility subject to licensure by ODMHAS; it instead must be owned and operated by either of the following:

(1) A community addiction services provider or other local nongovernmental organization (including a peer-run recovery organization), as appropriate to the needs of an ADAMHS board's service district;

(2) An ADAMHS board if the board owns and operates the recovery housing as of September 15, 2016, or the board determines that there is an emergency need to assume the ownership and operation of the recovery housing (such as when an existing owner and operator of the recovery housing goes out of business and the board considers the assumption of ownership and operation to be its last resort).

The recovery housing is required to have protocols for administrative oversight, quality standards, and policies and procedures (including house rules), for its residents to which the residents must agree to adhere. The recovery housing is prohibited from limiting a resident's duration of stay to an arbitrary or fixed amount of time. Instead, each resident's duration of stay must be determined by the resident's needs, progress, and willingness to abide by the recovery housing's protocols, in collaboration with the recovery housing's owner, and, if appropriate, in consultation and integration with a community addiction services provider. The recovery housing also is prohibited from providing community addiction services but is permitted to assist a resident in obtaining ODMHAS-certified community addiction services. The community addiction services may be provided at the recovery housing or elsewhere.

The act permits family members of the recovery housing's residents to reside in the recovery housing to the extent the recovery housing's protocols permit. The recovery housing may permit its residents to receive medication-assisted treatment at the recovery housing.

ADAMHS boards' proposed budgets

Continuing law requires each ADAMHS board to submit to ODMHAS a report of receipts and expenditures for all federal, state, and local money the board expects to receive. The report serves as a proposed budget. An ADAMHS board's proposed budget is deemed an application for federal and state funds that ODMHAS distributes to the boards. ODMHAS is required to approve or disapprove an ADAMHS's proposed budget.

The act requires an ADAMHS board's proposed budget to identify funds the board has available for the array of treatment and support services for all levels of opioid and co-occurring drug addiction that must be included in the continuum of care. ODMHAS is required by the act to disapprove an ADAMHS board's proposed budget if the proposed budget would not make available in the board's service district the essential elements required to be included in the continuum of care.

ODMHAS withholding funds from ADAMHS boards

Prior law permitted ODMHAS to withhold, in whole or in part, funds otherwise to be allocated to an ADAMHS board if the board's use of federal or state funds failed to comply with the board's approved budget. ODMHAS also was permitted to withhold all or part of the funds allocated to an ADAMHS board if ODMHAS disapproved all or part of the board's annual community addiction and mental health services plan, budget, or statement of services the board intended to make available in its service district. The act requires, rather than permits, ODMHAS to withhold funds under these circumstances.

Providers' waiting list and reporting duties

The act establishes duties for community addiction services providers regarding treatment and support services that must be included in an ADAMHS board's continuum of care. The providers are to carry out the duties in accordance with rules that the act requires the ODMHAS Director to adopt in accordance with the Administrative Procedure Act (R.C. Chapter 119.).

A community addiction services provider must maintain, in an aggregate form, a waiting list of each individual who has (1) been documented as having a clinical need for alcohol and drug addiction services due to an opioid or co-occurring drug addiction, (2) applied to the provider for a clinically necessary treatment or support service, and (3) not begun to receive the treatment or support service within five days of the individual's application because the provider lacks an available slot for the individual. A provider must notify an individual included on the waiting list when the provider has a slot available for the individual and, if the individual does not contact the provider about the slot within a period of time specified in the ODMHAS Director's rules, contact the individual to determine why the individual did not contact the provider and to assess whether the individual still needs the treatment or support service.

A community addiction services provider must report all of the following information each month to the ADAMHS board that serves the county or counties in which it provides alcohol and drug addiction services:

(1) An unduplicated count of all individuals who reside in a county that the board serves and were included on the provider's waiting list as of the last day of the immediately preceding month and each type of treatment and support service for which they were waiting;

(2) The total number of days all such individuals had been on the waiting list as of the last day of the immediately preceding month;

(3) The last known types of residential settings (identified at least as either institutional or noninstitutional) in which all such individuals resided as of the last day of the immediately preceding month;

(4) The number of all such individuals who did not contact the provider after receiving, during the immediately preceding month, the notices about the provider having slots available for the individuals and the reasons the contacts were not made;

(5) The number of all such individuals who withdrew, in the immediately preceding month, their applications for the treatment and support services, each type of treatment or service for which those individuals had applied, and the reasons the applications were withdrawn;

(6) All other information specified in the ODMHAS Director's rules.

Each report must maintain the confidentiality of all individuals for whom information is included in the report. If a community addiction services provider provides alcohol and drug addiction services in more than one county and those counties are served by different ADAMHS boards, the provider must provide separate reports to each of the boards. The report provided to an ADAMHS board is to be specific to the county or counties the board serves, exclude information for individuals residing in other counties, and, in the case of a report provided to a board that serves more than one county, present the information in a manner that is broken down for each of the counties the board serves.

ADAMHS boards' compiling and reporting duties

The act requires each ADAMHS board to do both of the following monthly and in accordance with rules the ODMHAS Director is to adopt:

(1) Compile on an aggregate basis the information the board receives that month from community addiction services providers in the reports discussed above;

(2) Determine the number of applications for services included in the array of treatment and support services for all levels of opioid and co-occurring drug addiction that the board received in the immediately preceding month and that the board denied that month, each type of service denied, and the reasons for the denials.

Each ADAMHS board must report to ODMHAS the information the board compiles and determines and all other information the ODMHAS Director's rules require. The boards are to report the information in an electronic format, in a manner that maintains the confidentiality of all individuals for whom information is included in

the report, and in a manner that presents the information about the individuals by their counties of residence.

ODMHAS to make reports available on website

ODMHAS is required by the act to make the reports it receives from ADAMHS boards under the provision discussed above available on its website. The information contained in the reports must be presented on statewide and county-level bases. ODMHAS must update the information monthly after ADAMHS boards submit new reports.

ODMHAS's procedures when an ADAMHS board is out of compliance

(R.C. 5119.25(C))

Continuing law permits the ODMHAS Director to withhold all or part of the funds otherwise allocated to an ADAMHS board if the board fails to comply with statutory requirements. However, as discussed above, the act *requires* the ODMHAS Director to withhold funds from a board if (1) the board's use of federal or state funds fails to comply with the board's approved budget or (2) ODMHAS disapproves all or part of the board's annual community addiction and mental health services plan, budget, or statement of services the board intends to make available in its service district.

Continuing law requires the ODMHAS Director, if an ADAMHS board is out of compliance with statutory requirements, to issue a notice of noncompliance and identify the action necessary to achieve compliance. Under prior law, a board had ten days from receipt of the notice to present its position that it was in compliance. The act gives a board 30 days and the option of submitting to the Director within that 30-day period evidence of corrective action the board took to achieve compliance (rather than presenting its position that it is in compliance). Prior law required the Director or a designee to hold a hearing within ten days of receipt of the board's position that it was in compliance. Under the act, the hearing must be held within 30 days of receiving the board's position that it is in compliance or evidence of the board's corrective action. The purpose of the hearing under prior law was, in part, to determine that either assistance was rejected or the board was unable to achieve compliance. The act provides that the hearing's purpose is, in part, to determine that either assistance is rejected or the board is unable, *or has failed*, to achieve compliance. The Director is permitted by the act to appoint a representative from another ADAMHS board to serve as a mentor for the board in developing and executing a plan of corrective action to achieve compliance. The representative must be from a board that is in compliance with statutory requirements.

Prior law permitted the Director to adopt rules to implement the provisions regarding withholding funds and holding hearings. The act *requires* that the Director adopt such rules.

If it is determined from a hearing that an ADAMHS board has not achieved compliance, the Director is permitted to allocate all or part of the funds it withholds from the board to an entity to provide the community mental health or community addiction service for which the board is not in compliance. Under prior law, the allocation had to be made to a public or private agency. The act provides for the allocation to be made to one or more community mental health services providers or community addiction services providers. Continuing law defines "community mental health services provider" as an agency, association, corporation, individual, or program that provides ODMHAS-certified community mental health services; it defines "community addiction services provider" as an agency, association, corporation, individual, or program that provides ODMHAS-certified community alcohol, drug addiction, or gambling addiction services.

Intake and resumption of services procedures

(R.C. 5119.365)

The act requires the ODMHAS Director to adopt rules in accordance with the Administrative Procedure Act to do both of the following:

(1) Streamline the intake procedures used by a community addiction services provider accepting and beginning to serve a new patient, including procedures regarding intake forms and questionnaires;

(2) Enable a community addiction services provider to retain a patient as an active patient even though the patient last received services from the provider more than 30 days before resumption of services so that the patient and provider do not have to repeat the intake procedures.

Mental health and drug addiction services for returning offenders

(Section 751.110)

The act requires that funds ODMHAS makes available to certain ADAMHS boards be prioritized for temporary assistance to individuals who are released from confinement in a state correctional facility to live in the community on or after September 15, 2014 ("returning offenders"). Specifically, the ADAMHS boards serving Cuyahoga, Franklin, Hamilton, Montgomery, and Summit counties must prioritize the use of funds to temporarily assist returning offenders who have severe mental illnesses,

severe substance use disorders, or both, and reside in the service districts those ADAMHS boards serve, in obtaining Medicaid-covered community mental health services, Medicaid-covered community drug addiction services, or both. The temporary assistance is to be provided to a returning offender regardless of whether the returning offender resided in a district that an ADAMHS board serves before being confined in a state correctional facility.

A returning offender's priority for the temporary assistance is to end on the earlier of (1) the date the offender is enrolled in Medicaid or, if applicable, the date that the suspension of the offender's Medicaid eligibility ends or (2) 60 days after the offender is released from confinement in a state correctional facility.

The prioritization requirement applies to funds ODMHAS makes available to be relevant ADAMHS boards under H.B. 59 of the 130th General Assembly (the main operating budget). The act specifies that the temporary assistance for returning offenders is not to receive priority over (1) community addiction services provided to drug or alcohol addicted parents whose children are at imminent risk of abuse or neglect because of the addiction and community addiction services provided to children of such parents or (2) the program for pregnant women with drug addictions that continuing law requires ODMHAS to develop.

Medical records

(R.C. 3701.74)

The act excludes medical records that are covered by release provisions under laws administered by ODMHAS from the general state law that establishes procedures for examining and obtaining copies of medical records. Continuing ODMHAS law contains a provision that generally make records for mental health treatment confidential and a separate provision that makes records relating to drug treatment confidential. Both of the provisions are subject to statutorily specified exceptions.[40]

Charge-back to mentally ill person's county of residence

(R.C. 5122.36)

The act provides that if the legal residence of a person suffering from mental illness is in another county of the state, the necessary expense of the person's return is a proper charge against the county of legal residence. If an adjudication and order of hospitalization by the probate court of the county of temporary residence are required,

[40] R.C. 5119.27 and 5119.28, not in the act.

the regular probate court fees and expenses incident to the order of hospitalization and any other expense incurred on the person's behalf must be charged to and paid by the county of the person's legal residence upon the approval and certification of the probate judge of that county. The ordering court must send to the probate court of the person's county of legal residence a certified transcript of all proceedings had in the ordering court. The receiving court must enter and record the transcript. The certified transcript is prima facie evidence of the person's residence. If the person's residence cannot be established as represented by the ordering court, the matter of residence must be referred to ODMHAS for investigation and determination.

Franklin County Probate Court Mental Health Fund

(R.C. 2101.026)

Donors to the Fund and use of moneys

The act authorizes the Franklin County Probate Court to accept funds or other program assistance for the Franklin County Probate Court Mental Health Fund from individuals, corporations, agencies, or organizations, including the Franklin County ADAMHS or Developmental Disabilities (DD) board, as provided in continuing law. The act requires that moneys in the Fund be used for services to help ensure the treatment of any person under the care of other guardianships, in addition to any person under the care of the Franklin County ADAMHS or DD board. These services include the establishment and management of adult guardianships and associated expenses for wards under the care of other guardianships, in addition to those under the care of the Franklin County ADAMHS or DD board.

Guardianship service and Guardianship Service Board

The act authorizes the moneys in the Fund that may be used in part for the establishment and management of adult guardianships under continuing law to be utilized to establish a Franklin County guardianship service by creating a Franklin County Guardianship Service Board comprised of three members, appointed as follows: one member by the judge of the Franklin County Probate Court, one member by the board of directors of the Franklin County DD Board, and one member by the board of directors of the Franklin County ADAMHS Board. The term of appointment of each member is four years. The act requires the Board to promulgate all rules and regulations necessary for the efficient operation of the Board and the Franklin County guardianship service.

The Franklin County Guardianship Service Board may appoint a director and must determine the director's compensation based on the availability of funds contained in the Fund. The members and the director, if any, of the Board may receive

appointments from the Franklin County Probate Court to serve as guardians of both the person and estate of wards. The director may hire employees subject to available moneys in the Fund. If a new director replaces a previously appointed director, the new director must replace the former director serving as a guardian without the need of a successor guardianship hearing conducted by the probate court so long as the wards are the same wards for both the former director and the new director.

Correction of agency name

(R.C. 2945.402)

The act corrects a reference to ODMHAS.

OPPORTUNITIES FOR OHIOANS WITH DISABILITIES AGENCY

- Includes the Opportunities for Ohioans with Disabilities Agency within the scope of the Governor's Office of Health Transformation Law.
- Creates a workforce integration task force within the Agency, and requires the task force to collect specified employment information regarding individuals who are deaf or blind in Ohio.
- Requires the task force to issue a report to the Governor by January 1, 2015, using data that it collected and containing findings and recommendations regarding how individuals who are deaf or blind in Ohio may be more fully integrated into the workforce.
- Specifies that a member of the Governor's Council on People with Disabilities continues in office after the member's term expires until the member's successor takes office.
- Changes the term of the chairperson of the Council from a one-year term, with the possibility of a second term, to a single two-year term, and specifies that the chairperson continues in office after the chairperson's term expires until the successor chairperson takes office.
- Revises provisions governing administrative support for the Council, but retains the requirement that the Agency's Executive Director provide the Council with an executive secretary.

Office of Health Transformation

(R.C. 191.01)

The act includes the Opportunities for Ohioans with Disabilities Agency within the scope of the Governor's Office of Health Transformation.

Workforce integration task force

(Section 751.20)

The act creates a workforce integration task force within the Agency. It requires the task force to collect data on all of the following regarding Ohioans who are deaf or blind: the average income levels for those individuals who are employed compared to

those who are not, the number of those individuals, where they are geographically located, the number of those individuals who are employed and in what job categories, and whether barriers to employment exist for them.

The task force must issue a report to the Governor by January 1, 2015, using the data that it collected and any other necessary information and containing findings and recommendations regarding how Ohioans who are deaf or blind may be more fully integrated into the workforce to increase employability and income parity based on the data collected by the vendor. Upon issuance of the report, the task force sunsets.

The Executive Director of the Agency and the Director of Job and Family Services, as co-chairs of the task force, must appoint the members of the task force.

Governor's Council on People with Disabilities

(R.C. 3303.41)

The act specifies that a member of the Governor's Council on People with Disabilities continues in office after the member's term expires until the member's successor takes office.

It also increases the term of the chairperson of the Council to two years and provides that a chairperson may not succeed himself or herself as chairperson. Under former law, a chairperson was appointed annually and could succeed himself or herself only once as chairperson. The act specifies that the chairperson continues in office after the chairperson's term expires until the chairperson's successor takes office.

Finally, the act revises provisions governing administrative support for the Council. It retains the requirement that the Agency's Executive Director provide (assign in former law) a professional staff person to serve as executive secretary for the Council. It then removes the stipulation that the Council be assigned to the Agency for administrative purposes and the requirement that the Executive Director assign other personnel to the Council as determined advisable. The act instead requires the Executive Director to provide any meeting space, office furniture, and equipment that are necessary for the Council to fulfill its duties.

STATE BOARD OF PHARMACY

Ohio Automated Rx Reporting System

- Beginning April 1, 2015, establishes conditions related to the State Board of Pharmacy's Ohio Automated Rx Reporting System (OARRS) that apply to a prescriber when prescribing or personally furnishing certain drugs, including the following:

  --That the prescriber, before initially prescribing or personally furnishing an opioid analgesic or a benzodiazepine, request patient information from OARRS that covers at least the previous 12 months;

  --That the prescriber make periodic requests for patient information from OARRS if the course of treatment continues for more than 90 days.

- Specifies circumstances when review of an OARRS report is not required.

- Beginning January 1, 2015, requires that prescribers, as well as pharmacists, when renewing their professional licenses, certify to their licensing boards that they have access to OARRS.

- Requires the Board to provide information from OARRS to the Administrator of Workers' Compensation and a workers' compensation managed care organization if certain criteria are met.

- Permits the Board to use a portion of the licensing fees of terminal distributors of dangerous drugs, pharmacists, pharmacy interns, and wholesale distributors of dangerous drugs to establish or maintain OARRS.

Terminal distributor licensing

- Changes to April 1 (from January 1) the beginning of the 12-month licensing period that applies to terminal distributors of dangerous drugs.

- Requires, beginning April 1, 2015, certain business entities that previously were exempt from licensure to hold a terminal distributor license in order to possess and distribute dangerous drugs that are compounded or used for compounding.

- Exempts a law enforcement agency from the requirement to be licensed as a terminal distributor when securing and maintaining a supply of naloxone.

Ohio Automated Rx Reporting System

(R.C. 4121.447, 4715.14, 4715.30, 4715.302, 4723.28, 4723.486, 4723.487, 4725.092, 4725.16, 4725.19, 4729.12, 4729.80, 4729.86, 4729.861, 4730.25, 4730.48, 4730.53, 4731.055, 4731.22, and 4731.281; Sections 747.30, 812.50, and 812.60)

Review of patient information

Beginning April 1, 2015, the act establishes several conditions related to a prescriber's use of information available from the drug database maintained by the State Board of Pharmacy and known as the Ohio Automated Rx Reporting System (OARRS).[41] The conditions apply to the following prescribers when prescribing or personally furnishing a drug that is either an opioid analgesic or a benzodiazepine as part of a patient's course of treatment for a particular condition: dentists, advanced practice registered nurses holding certificates to prescribe, optometrists holding therapeutic pharmaceutical agents certificates, physician assistants holding certificates to prescribe, and physicians authorized to practice medicine, osteopathic medicine, or podiatry.

The act requires a prescriber, before initially prescribing or personally furnishing the opioid analgesic or benzodiazepine, to request, or have a delegate request, patient information from OARRS that covers at least the previous 12 months. If the patient's course of treatment for the condition continues for more than 90 days, the act requires the prescriber to make periodic requests for patient information from OARRS until the course of treatment ends. The requests must be made at intervals not exceeding 90 days. The act requires the prescriber to assess the information in each OARRS report on receipt of the report and to document in the patient's record that the report was received and assessed.

The act requires a prescriber who practices primarily in an Ohio county that adjoins another state to request information available in OARRS pertaining to prescriptions issued or drugs furnished to the patient in the state adjoining that county.

Exceptions

The act specifies circumstances when a prescriber is not required to review an OARRS report. These exceptions, which differ among prescribers according to the scope of practice and prescriptive authority they hold, apply when any of the following is the case:

[41] Parallel provisions regarding OARRS were enacted in H.B. 341 and H.B. 493, both of the 130th General Assembly.

(1) The OARRS report is not available;

(2) The drug is prescribed or personally furnished to a hospice patient or to any other patient who has been diagnosed as terminally ill;

(3) The drug is prescribed or personally furnished in an amount indicated for a period not to exceed seven days;

(4) The drug is prescribed or personally furnished for the treatment of cancer or another condition associated with cancer;

(5) The drug is prescribed or personally furnished for administration in a hospital, nursing home, or residential care facility;

(6) The drug is prescribed or personally furnished to treat acute pain resulting from a surgical or other invasive procedure or a delivery.

Disciplinary action

The act authorizes the following licensing boards to take professional disciplinary actions against the prescribers under their respective jurisdictions for failure to request patient information in OARRS as required by the act: the State Dental Board, the Board of Nursing, the State Board of Optometry, and the State Medical Board.

Required access

The act requires each prescriber who prescribes or personally furnishes opioid analgesics or benzodiazepines, as well as pharmacists, to obtain access to OARRS not later than January 1, 2015. Failure to obtain access to OARRS by January 1, 2015, constitutes grounds for license or certificate suspension.

In a corresponding change, the act requires the Board to provide OARRS information regarding a patient on receipt of a request from a prescriber or pharmacist. Under prior law, the Board was authorized, but not required, to provide the information.

License renewal

Beginning January 1, 2015, the act requires each prescriber who prescribes or personally furnishes opioid analgesics or benzodiazepines, when renewing a license or certificate, to certify to the prescriber's licensing board that the prescriber has been granted access to OARRS. Under the act, if the prescriber certifies to the licensing board that the prescriber has been granted access to OARRS and the board finds, through an

audit or other means, that the prescriber has not been granted access, the board may take disciplinary action against the prescriber.

In the case of a pharmacist seeking license renewal, the act requires the applicant to have been granted access to OARRS as a condition of eligibility for renewal. The requirement begins January 1, 2015.

Opioid dependent infants

The act requires that the Board provide to a prescriber treating a newborn or infant patient diagnosed as opioid dependent an OARRS report relating to the patient's mother.

Access for workers' compensation claims

The act requires, rather than permits as under prior law, the Board to provide to the Administrator of Workers' Compensation information from OARRS that the Administrator requests relating to a workers' compensation claimant, including information in OARRS related to prescriptions for the claimant that were not covered or reimbursed under the Workers' Compensation Law.

The act requires that the Board provide to the medical director of a managed care organization (MCO) that has entered into a contract with the Administrator an OARRS report relating to a workers' compensation or other claimant assigned to the MCO, if the Administrator confirms, on request from the Board, that the claimant is assigned to the MCO. The report must include information related to prescriptions that were not covered or reimbursed under the Workers' Compensation Law.

The act provides that a contract between the Administrator and an MCO must include a requirement that the MCO enter into a data security agreement with the Board. A similar requirement applies to Medicaid MCOs, and the act clarifies that these MCOs must be under contract with the Ohio Department of Medicaid.

Restricting access

The act authorizes the Board to restrict a person from obtaining further information from OARRS if the person creates, by clear and convincing evidence, a threat to the security of information contained in OARRS. Under continuing law, the Board also has authority to restrict a person from obtaining further information in the following circumstances: (1) when providing false information to OARRS with the intent to obtain or alter information and (2) when using information obtained from OARRS as evidence in any civil or administrative proceeding.

Under the act, the Board's authority to restrict a person from obtaining information from OARRS is conditioned on providing notice and affording an opportunity for hearing in accordance with the Administrative Procedure Act (R.C. Chapter 119.). However, if the Board determines that the allegations regarding a person's actions warrant restricting access without a prior hearing, the Board may summarily impose the restriction. The act specifies that a telephone conference call may be used by the Board for reviewing the allegations and taking a vote on the summary restriction. The act provides that a summary restriction remains in effect, unless removed by the Board, until the Board's final adjudication order becomes effective.

The act requires the Board to notify the government entity responsible for licensing a prescriber if the Board restricts the prescriber from obtaining further information from OARRS. If a prescriber's access to OARRS is restricted, the act's requirements to have access to OARRS by January 1, 2015, and to have access as a condition of eligibility for renewal of the prescriber's license or certificate, do not apply. In addition, the requirements do not apply if OARRS is no longer being maintained.

Use of fees

(R.C. 4729.65 and 4729.83)

The act permits the Board to use a portion of the licensing and registration fees of terminal distributors of dangerous drugs, pharmacists, pharmacy interns, and wholesale distributors of dangerous drugs to establish or maintain OARRS. The act specifies, however, that the Board may not increase the licensing or registration fees solely for that purpose.

Terminal distributors of dangerous drugs

Licensing period

(R.C. 4729.54; Section 747.10)

The act changes the beginning date of the 12-month licensing period that applies to terminal distributors of dangerous drugs to April 1 (from January 1). The act also changes the due date for an application for renewal of the license to March 31 (from December 31). Similarly, the act changes the date after which a $55 penalty fee must be paid in addition to the renewal fee for license reinstatement to May 1 (from February 1).

To correspond with the new licensing period, the act specifies that a license that is valid on September 15, 2014, remains effective until April 1, 2015, unless earlier revoked or suspended.

Compounded drugs and business entities

(R.C. 4729.54 and 4729.541)

Under continuing law, certain business entities are exempt from the general requirement to be licensed as a terminal distributor in order to possess, have custody or control of, and distribute dangerous drugs. For the exemption to apply to a business entity, each shareholder, member, or partner must be a prescriber and authorized to provide the professional services offered by the entity.

Under the act, a business entity is no longer exempt from the terminal distributor licensing requirement in the case of drugs that are compounded or used for compounding. Beginning April 1, 2015, a business entity must hold a terminal distributor license in order to possess, have custody or control of, and distribute those drugs. "Compounding" is defined by continuing law as the preparation, mixing, assembling, packaging, and labeling of one or more drugs.[42]

Naloxone and law enforcement agencies

(R.C. 4729.51 (primary) and 2925.61)

H.B. 170 of the 130th General Assembly authorizes law enforcement agencies to maintain a supply of naloxone for their officers' to administer to individuals apparently experiencing an opioid-related overdose. Under H.B. 170, a law enforcement agency must obtain a license as a terminal distributor of dangerous drugs in order to maintain naloxone.

Beginning June 16, 2014, the act eliminates H.B. 170's licensure requirements. Under the act, both a law enforcement agency and its officers are exempt from the requirement to be licensed as a terminal distributor with respect to naloxone. To correspond with this exemption, the act provides that the immunity from prosecution and administrative action granted by H.B. 170 to an officer for possessing and administering naloxone is no longer conditioned on the law enforcement agency that employs the officer being licensed as a terminal distributor.

[42] R.C. 4729.01(C), not in the act.

- Clarifies the purposes for which moneys in county indigent drivers alcohol treatment funds, county juvenile indigent drivers alcohol treatment funds, and municipal indigent drivers alcohol treatment funds may be used, and authorizes surplus moneys in the funds to be used for additional purposes.

- Authorizes surplus moneys in county indigent drivers interlock and alcohol monitoring funds, county juvenile indigent drivers interlock and alcohol monitoring funds, and municipal indigent drivers interlock and alcohol monitoring funds to be used for additional purposes.

- Creates the Infrastructure Protection Fund in the state treasury.

- Requires that the following fees be deposited into the Infrastructure Protection Fund instead of the Security, Investigations, and Policing Fund: (1) scrap metal and bulk merchandise container dealer registration fees and (2) impoundment fees relating to a vehicle used in the theft or illegal transportation of metal.

- Authorizes an optometrist to certify that a person is blind, legally blind, or severely visually impaired for purposes of obtaining an accessible parking placard or license plates.

- Makes organizational and technical changes to the law governing parking placards and license plates for persons with disabilities.

- Requires the Department of Administrative Services, in consultation with the Department of Public Safety, not later than January 23, 2015, to submit a written recommendation to the 131st General Assembly for reducing user fees for the Multi-agency Radio Communications System.

Local indigent drivers alcohol treatment, interlock, and monitoring funds

(R.C. 4511.191)

Indigent drivers alcohol treatment funds

The act modifies the purposes for which moneys in a county indigent drivers alcohol treatment fund, a county juvenile indigent drivers alcohol treatment fund, or a municipal indigent drivers alcohol treatment fund may be used and modifies eligibility requirements for such funds. Under prior law partially retained by the act, a county,

juvenile, or municipal court judge could make expenditures from those funds for the payment of the cost of an assessment or the cost of attendance at an alcohol and drug addiction treatment program for an eligible person. An eligible person had to be all of the following: (1) convicted of, or found to be a juvenile traffic offender by reason of, a violation of the law that prohibits any person from operating a vehicle while under the influence of alcohol, drugs, or both (OVI), (2) ordered by the court to attend an alcohol and drug addiction treatment program, and (3) determined by the court, in accordance with indigent client eligibility guidelines and the standards of indigency established by the public defender, to be unable to pay the cost of the assessment or treatment program.

The act generally retains the requirements that govern persons for whom funds may be used, but moves those requirements into a definition of "indigent person" and expands them to include persons convicted of an underage OVI violation. The act also modifies the purposes for which the funds may be used by allowing a judge to make expenditures from those funds for any of the following purposes with regard to an indigent person:

- To pay the cost of an assessment conducted by an appropriately licensed clinician at either a driver intervention program or a community addiction services provider;

- To pay the cost of alcohol addiction services, drug addiction services, or integrated alcohol and drug addiction services at a community addiction services provider; or

- To pay the cost of transportation to attend an assessment or services as provided above.

Additionally, the act expands the permissible uses of moneys from such funds in the event a surplus is declared. Under continuing law, if a county, juvenile, or municipal court determines, in consultation with the alcohol and drug addiction services board or the board of alcohol, drug addiction, and mental health services that serves the alcohol, drug addiction, and mental health district in which the court is located, that the moneys in the fund are more than sufficient to satisfy the purpose of the fund, the court may declare a surplus. Once a surplus is declared, the court may use any of the surplus amount for either alcohol and drug abuse assessment and treatment of persons who are charged with committing a criminal offense or with being a delinquent child or juvenile traffic offender under specified circumstances; or to pay all or part of the cost of purchasing alcohol monitoring devices upon exhaustion of moneys in the indigent drivers interlock and alcohol monitoring fund.

The act expands the permissible uses of the surplus moneys to include: (1) paying the cost of transportation related to drug abuse assessment and treatment of persons who are charged with committing a criminal offense or with being a delinquent child or juvenile traffic offender under specified circumstances, (2) transferring the funds to another court in the same county to be used in accordance with any authorized use of indigent drivers alcohol treatment funds, or (3) transferring the funds to the alcohol and drug addiction services board or the board of alcohol, drug addiction, and mental health services that serves the alcohol, drug addiction, and mental health service district in which the court is located to be used in accordance with any authorized use of indigent drivers alcohol treatment funds.

Indigent drivers interlock and alcohol monitoring funds

The act authorizes a county, juvenile, or municipal court to declare a surplus in a county indigent drivers interlock and alcohol monitoring fund, a county juvenile indigent drivers interlock and alcohol monitoring fund, or a municipal indigent drivers interlock and alcohol monitoring fund under the control of the court. A surplus may be declared if the moneys in the fund are more than sufficient to satisfy the purpose for which the fund was established. If the court declares a surplus, the court then may order a transfer of a specified amount of money into the county indigent drivers alcohol treatment fund, the county juvenile indigent drivers alcohol treatment fund, or the municipal indigent drivers alcohol treatment fund. Under continuing law, the moneys in those indigent drivers interlock and alcohol monitoring funds generally must be used only to pay the cost of an immobilizing or disabling device or an alcohol monitoring device that will be used by an offender or juvenile offender who is ordered by the court to use such a device and is determined not to have the means to pay for the device.

Infrastructure Protection Fund

(R.C. 4737.045)

The act creates the Infrastructure Protection Fund in the state treasury and requires all (1) scrap metal and bulk merchandise container dealer registration fees and (2) impoundment fees relating to a vehicle used in the theft or illegal transportation of metal, special purchase articles, or bulk merchandise containers to be deposited into the Fund. Former law required these fees to be deposited into the Security, Investigations, and Policing Fund.

Parking placards or license plates for persons with certain disabilities

(R.C. 4503.44)

The act authorizes an optometrist to:

(1) Certify that a person meets the sight-related criteria necessary to qualify as a person with a disability that limits or impairs the ability to walk; and

(2) Issue a prescription to such a person for the purpose of allowing the person to obtain license plates or a parking placard that enables the person to park in parking spaces designated for persons with disabilities that limit or impair the ability to walk, commonly known as handicapped parking spaces or disability parking spaces.

The act also expands the sight-related criteria for that qualification, so that a person who is legally blind or severely visually impaired may qualify, in addition to a person who is blind as under continuing law. Optometrist is defined in the act to mean a person who is licensed to engage in the practice of optometry under the Optometry Licensing Law. The act also makes organizational changes and removes references to "parking cards" which are no longer issued.

Under continuing law a person who has a disability that limits or impairs the ability to walk may obtain a parking placard or license plates that authorize the person to park in spaces designated for such persons, so long as the person complies with the applicable procedures, including submission of a signed statement from a health care provider that the person meets one of the criteria. Health care provider is defined under continuing law to mean a physician, physician assistant, advanced practice registered nurse, or chiropractor. That term also now includes an optometrist as discussed above.

Multi-agency Radio Communications System (MARCS) user fees

(Section 745.20)

The act requires the Department of Administrative Services, in consultation with the Department of Public Safety and not later than January 23, 2015, to submit a written recommendation to the 131st General Assembly that specifies a formula, method, or schedule by which user fees for the Multi-agency Radio Communications System may be reduced from their current amounts.

- Specifies that certain persons exempt from the motor carrier law shall not be construed to be relieved from complying with the continuing law and rules governing the uniform registration and permitting for transportation of hazardous materials and the duty to pay related fees.

- Permits the Public Utilities Commission, at its discretion and in accordance with federal law, to waive compliance with the federal gas pipeline design requirement regulations that apply to operators of certain pipelines that transport gas produced by horizontal wells.

- Specifies that the 1,125-foot-minimum setback (or in certain cases, the 750-foot-minimum-grandfathered setback), distance for a wind turbine be measured from the tip of the turbine's nearest blade at 90 degrees to the property line of the nearest adjacent property (rather than to the nearest, habitable, residential structure on adjacent property, as required in former law).

- Specifies that amendments made to existing certificates after September 15, 2014, are subject to the measurement changes made by the act.

- Specifies that measurement changes made by the act must not be interpreted to "limit or abridge any rights or remedies in equity or under the common law."

Limitation on motor carrier law compliance exemptions

(R.C. 4923.02)

The act provides that continuing law exempting certain persons from the motor carrier law is not to be construed as relieving those persons from complying with (1) rules of the Public Utilities Commission (PUCO) that apply to the uniform registration and permitting of persons engaged in the highway transportation of hazardous materials into, through, or within Ohio, (2) other provisions of Ohio law governing uniform registration and permitting, such as, for example the prohibition against falsifying or failing to submit data reports, records, and other information required regarding uniform registration and permitting, or (3) the duty to pay any fees related to uniform registration and permitting.

Transporting horizontal well gas: federal pipeline requirements waiver

(R.C. 4905.911)

The act permits the PUCO, at its discretion and in accordance with federal law, to waive compliance with federal gas pipeline design requirement regulations that apply to operators of either of the following pipeline types that transport gas produced by horizontal wells and were completely constructed on or after September 10, 2012: gas gathering pipelines and processing plant gas stub pipelines.

Background

Definitions

Continuing law defines "gas gathering pipeline," "processing plant gas stub pipeline," and "horizontal well" as follows:

- "Gas gathering pipeline" means a gathering line that is not regulated under the federal Natural Gas Pipeline Safety Act and the corresponding rules, and includes a pipeline used to collect and transport raw natural gas or transmission quality gas to the inlet of a gas processing plant, the inlet of a distribution system, or to a transmission line.

- "Processing plant gas stub pipeline" means a gas pipeline that transports transmission quality gas from the tailgate of a gas processing plant to the inlet of an interstate or intrastate transmission line and that is considered an extension of the gas processing plant, is not for public use, and is not regulated under the federal Natural Gas Pipeline Safety Act and the corresponding rules.

- "Horizontal well" means a well that is drilled for the production of oil or gas in which the wellbore reaches a horizontal or near horizontal position in the Point Pleasant, Utica, or Marcellus formation and the well is stimulated (a well is stimulated if a process, that may include hydraulic fracturing operations ["fracking"], is used to enhance well productivity).[43]

Federal gas pipeline waiver authority

Federal law permits states to waive compliance with certain pipeline safety standards for intrastate pipelines to the same extent as the U.S. Secretary of Transportation may make such a waiver, but only if the state has a pipeline safety certification from, or a pipeline safety agreement with, the Secretary governing those

[43] R.C. 1509.01(Z) and (GG) and 4905.90(D) and (M), not in the act.

standards. Any such waiver, if exercised, is subject to possible rejection by the Secretary. Generally, the federal pipeline safety regulations (1) require pipe to be designed with sufficient wall thickness, or installed with adequate protection, to withstand anticipated external pressures and loads that will be imposed on the pipe after installation, and (2) provide mathematical formulas for the design of steel, plastic, and copper pipe.[44]

Wind turbine setback

(R.C. 4906.20 and 4906.201)

The act provides that, with respect to wind turbines that are part of (1) an economically significant wind farm (aggregate capacity of 5-50 megawatts) or (2) a wind farm that is a major utility facility (aggregate capacity of 50 megawatts or more), the 1,125-foot-minimum setback distance be measured from the tip of the turbine's nearest blade at 90 degrees to the property line of the nearest adjacent property at the time of the Power Siting Board (PSB) certification application. Former law required the 1,125-foot measurement to be made from the tip of the nearest blade at 90 degrees to the exterior of the nearest, habitable, residential structure, if any, located on adjacent property at the time of the certification application.

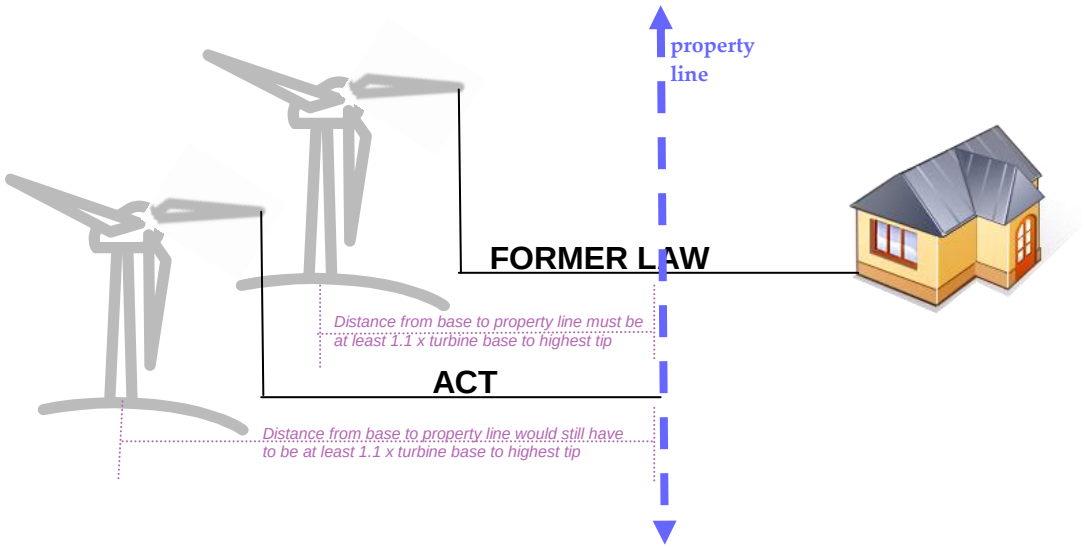
The act also specifies that any amendment made to an existing certificate after September 15, 2014 (the act's 90-day effective date) is subject to the setback distance measurement changes made by the act. These existing certificates could have a 1,125-foot-minimum setback or a 750-foot-minimum setback. A grandfather provision in continuing law requires the minimum setback distance to be 750 feet instead of 1,125 feet for "existing certificates and amendments" to them and existing certificate applications found to be in compliance with PSB law before September 29, 2013.

Although the act specifies that the setback changes must not be interpreted to "limit or abridge any rights or remedies in equity or under the common law," it does not provide for *how* the measurement changes of the act would apply if an existing certificate is amended. Neither does the act specify how turbines authorized under such a certificate would be affected.

Under continuing law, there are two minimum setbacks for wind turbines: (1) the 1,125-foot-minimum setback (or in certain cases, the 750-foot-minimum-grandfathered setback) measured from the turbine *blade*, affected by the act as discussed above, and (2) a setback measured from the turbine *base*, unchanged by the act. The setback measured from the turbine base requires a minimum setback distance from the

[44] 49 U.S.C. 60105, 60106, and 60118(d) and 49 C.F.R. Part 192, Subpart C, not in the act.

turbine's base to the wind farm property line of at least 1.1 multiplied by the distance from the turbine's base to the tip of the highest blade. The diagram below illustrates both setback requirements and the changes made by the act to the setback under (1):



- Requires that any repayment of a Clean Ohio Conservation grant be deposited into the Clean Ohio Conservation Fund for return to the natural resource assistance council that approved the original grant application.
- Requires that grant repayments be used for the same purpose as the grant was originally approved for.
- Requires the Ohio Public Works Commission to establish policies that provide for "proper liquidated damages and grant repayment" rather than "proper penalties, including grant repayment," for entities that fail to comply with long-term ownership or control requirements.

Clean Ohio Conservation grants

(R.C. 164.26 and 164.261)

The act requires that any repayment of a Clean Ohio Conservation grant must be deposited into the Clean Ohio Conservation Fund for return to the natural resource assistance council that approved the original grant application. The act also requires that the repayment be used for the same purpose as the grant was originally approved for. Under continuing law, grants may be required to be repaid when entities fail to comply with long-term ownership or control requirements, established by the Ohio Public Works Commission, for real property that is the subject of a grant application.

The act also changes language regarding policies that the Commission is required to establish. Under prior law, the policies were required to provide for "proper penalties, including grant repayment" for the entities that failed to comply with the long-term ownership or control requirements. The act changes this to "proper liquidated damages and grant repayment."

Under continuing law, Clean Ohio Conservation grants may be awarded for a variety of purposes, including wetland preservation, the protection of habitats for endangered species, and the protection and enhancement of streams, rivers, and lakes.[45]

[45] R.C. 164.22, not in the act.

- Specifies that students attending state universities are not public employees based upon participating in athletics for the state university.
- Requires members of the board of trustees of a state community college district to be qualified electors of the state, rather than qualified electors residing in the district as under prior law.

Public employee status of student athletes at state universities

(R.C. 3345.56)

The act specifies that a student attending a state university is not an employee of the state university based upon the student's participation in an athletic program offered by the state university. Thus, under the act, it appears that such a student is not a public employee for purposes of collective bargaining or for public employee benefits such as health care or retirement.

Membership of state community college boards

(R.C. 3358.03)

Each state community college has a board of trustees consisting of nine members appointed by the Governor with the advice and consent of the Senate. Under prior law, these members had to be qualified electors residing in the state community college district. Generally, such a district consists of the territory of two or more contiguous counties with a total population of at least 150,000. The act requires these members to be qualified electors of the state as a whole, instead of the college district.

- Entitles members of the Joint Medicaid Oversight Committee (JMOC) to per diem compensation and reimbursement of traveling expenses.
- Specifies that the compensation and reimbursement of traveling expenses are to be paid from funds appropriated for the payment of expenses of legislative committees.

Joint Medicaid Oversight Committee member compensation

(R.C. 103.41; Section 701.20)

The act provides that members of the Joint Medicaid Oversight Committee (JMOC), when engaged in their duties as members of JMOC on days when there is not a voting session of the member's house of the General Assembly, are entitled to be paid at a rate of $150 per day and to reimbursement of their necessary traveling expenses. The act specifies that the compensation and reimbursement of traveling expenses are to be paid from the funds appropriated for the payment of expenses of legislative committees. Prior law did not provide compensation or reimbursement of traveling expenses to members of JMOC.

The compensation and reimbursement of traveling expenses are available to only a JMOC member whose term in the General Assembly begins on or after September 15, 2014.

RETIREMENT

STRS membership – performance of auxiliary services

- Excludes from the membership of the State Teachers Retirement System (STRS) any individual holding a teaching license who is performing state-funded auxiliary services for nonpublic school students, regardless of whether the individual is employed by a public school district or under a contract with a third party.

- Requires the Ohio Retirement Study Council (ORSC) to develop a procedure to determine if the individuals excluded from STRS under the act are teachers for purposes of STRS membership and, by December 31, 2014, make its recommendation to the STRS Board.

STRS alternative retirement program mitigating rate

- Provides that, until July 1, 2015, the percentage of an alternative retirement program (ARP) participant's compensation paid by a public institution of higher education to STRS to mitigate any financial impact of an ARP on STRS cannot exceed 4.5% of the participant's compensation.

- Requires ORSC to study and recommend changes to the ARP mitigating rate and, by December 31, 2014, report its findings and recommendations to the Governor, Senate President, and House Speaker.

Deferred compensation programs

- Authorizes a board of education or state institution of higher education that maintains a deferred compensation program for its employees and makes payments to a custodial account for investment in stocks to invest in any stock that is treated as an annuity under Internal Revenue Code provisions dealing with such programs, rather than purchasing stocks only from persons authorized to sell the stock in Ohio.

- Allows a supplemental annuity contract or custodial account offered to an employee by a public institution of higher education to be offered through either (1) the institution's choice of providers or (2) a provider designated by the employee, rather than only through an employee-designated provider.

- Allows a public institution of higher education to impose any terms and conditions the institution chooses on the provider of an annuity contract or custodial account and to prohibit transfer of funds to a third party without the institution's consent.

STRS membership – performance of auxiliary services

(R.C. 3307.01)

Continuing law provides that any person who is included in the definition of "teacher" under the law governing the State Teachers Retirement System (STRS) is an STRS member. Prior law included in the definition of "teacher" (and in STRS membership) any individual holding a teaching license who was performing state-funded auxiliary services for nonpublic school students, regardless of whether the individual was employed directly by a public school district or under a contract with a third party.

The act excludes these individuals from the definition of "teacher" and therefore from STRS membership. The act also explicitly states that "teacher" does not include these individuals. According to Ann Erkman, STRS Assistant Director, Government Relations, the individuals excluded under the act include individuals such as speech and hearing specialists, school nurses, reading specialists, and guidance counselors who work in nonpublic schools but are paid for with state funds. The result is that these individuals and their employers will contribute to Social Security, rather than STRS, for their service.

ORSC study of STRS membership – auxiliary services

(Section 733.30)

The act requires the Ohio Retirement Study Council (ORSC), in cooperation with the State Teachers Retirement Board, to develop a procedure to determine if the individuals excluded from STRS under the act are teachers for purposes of STRS membership. Not later than December 31, 2014, ORSC must make its recommendation to the STRS Board.

STRS alternative retirement program mitigating rate

(Section 752.10)

The act temporarily limits the percentage of an alternative retirement program (ARP) participant's compensation paid by a public institution of higher education to STRS to mitigate any financial impact of an ARP on STRS.

Continuing law permits a full-time employee of a public institution of higher education to elect to participate in an ARP rather than the public retirement system (Public Employees Retirement System (PERS), STRS, or School Employees Retirement System (SERS)) that covers the employee. Each ARP must be a defined contribution plan that provides retirement and death benefits through a number of investment

options. A public institution of higher education must contribute a percentage of the compensation of an employee electing to participate in an ARP to the public retirement system that would otherwise cover the employee. The purpose of this contribution, referred to as the "mitigating rate," is to offset any negative financial impact of the ARP on the public retirement system.

Continuing law specifies that the ARP mitigating rate is 6%, but may be adjusted by ORSC to reflect determinations made in an actuarial study that must be completed by ORSC every three years. The STRS mitigating rate for ARPs is currently 4.5%. Continuing law also prohibits the mitigating rate for ARPs from exceeding the mitigating rate for the retirement system's defined contribution plan. The mitigating rate for the STRS defined contribution plan is 4.5%.

The act provides that the STRS mitigating rate for ARPs cannot exceed 4.5% and that the limit on the rate is effective until July 1, 2015.

ORSC study of ARP mitigating rate

(Section 752.20)

The act requires ORSC to study the applicability, operation, and efficacy of the ARP mitigating rate and make recommendations on any changes in determining the appropriate rate. The study must research the historical impact of the mitigating rate and whether its purpose is being served. Not later than December 31, 2014, ORSC must prepare and submit to the Governor, Senate President, and House Speaker a report of its findings and recommendations.

Deferred compensation programs

(R.C. 9.90, 9.91, and 9.911)

Continuing law permits a state institution of higher education, school district board of education, or educational service center governing board to make payments to a custodial account for investment in regulated investment company stock to provide retirement benefits. These benefits are in addition to benefits from a public retirement system. The act permits purchase of any stock that is treated as an annuity under section 403(b) of the Internal Revenue Code, which regulates deferred compensation programs for employees of organizations that are exempt from federal income taxes. Prior law required the stock to be purchased only from persons who were authorized to sell the stock in Ohio.

With regard only to deferred compensation programs offered to employees by a public institution of higher education, the act permits the institution to choose providers

of an annuity or custodial account as an alternative to permitting employees to choose providers. Prior law gave the employee the right to designate the provider through which the institution arranged for the placement or purchase of a tax-sheltered annuity. Under the act the institution, in its sole and absolute discretion, is to arrange for procurement of the annuity contract or custodial account by doing one of the following:

(1) Selecting a minimum of four providers of annuity contracts or custodial accounts through a selection process determined by the institution in its sole and absolute discretion, except that if fewer than four providers are available, the institution is to select the number of providers available;

(2) Allowing each eligible employee to designate a licensed agent, broker, or company as a provider.

If the institution selects a provider, the act permits the institution to require a provider to enter into an agreement with the institution that does either or both of the following:

(1) Prohibits the provider from transferring funds to a third party without the express consent of the institution or its authorized representative;

(2) Includes such other terms and conditions as are established by the institution in its sole discretion.

An institution is not required to select a provider if the provider is not willing to provide an annuity contract or custodial account at that institution or agree to the terms and conditions of the agreement.

If an institution permits an employee to designate a provider, the act requires the institution to comply with the designation but permits it to require either or both of the following:

(1) That the provider enter into an agreement with the institution that does either or both of the following:

(a) Prohibits the provider from transferring funds to a third party without the express consent of the institution or its authorized representative;

(b) Includes such other terms and conditions as are established by the institution in its sole discretion. (Prior law permitted the institution to require the designee to execute a reasonable agreement protecting the institution from liability attendant to procuring the annuity.)

(2) Similar to prior law with respect to designating a tax-sheltered annuity provider, that the provider be designated by a number of employees equal to the greater of at least 1% of the institution's eligible employees or at least five employees, except that the institution may not require that the provider be designated by more than 50 employees.

The act specifies that designation as a provider of a tax-sheltered annuity prior to September 15, 2014, does not give a licensed agent, broker, or company a right to be selected under the act as a provider of an annuity contract or custodial account at an institution. However, that agent, broker, or company remains a provider until another provider is selected under the act.

- Eliminates the requirement that an entity, other than a candidate, legislative campaign fund, or campaign committee, include the name and residence or business address of the chairperson, treasurer, or secretary of the entity in any political publication or communication it issues.

- Requires instead that all entities, instead of only a candidate, legislative campaign fund, or campaign committee as under prior law, include the name of the entity in their political publications and communications.

- Removes the requirement that an entity that issues a political radio or television communication either (1) identify the speaker with the speaker's name and residence address or (2) identify the chairperson, treasurer, or secretary of the entity with the name and residence or business address of that officer.

- Requires instead that an entity that issues a political radio or television communication include the name of the entity.

- Consolidates language describing the identification and disclaimer requirements for various entities when they print or broadcast communications and hold telephone banks concerning candidates and ballot issues.

Political communication identification and disclaimer

(R.C. 3517.20)

The act eliminates the requirement that an entity, other than a candidate, legislative campaign fund, or campaign committee, include the name and residence or business address of the chairperson, treasurer, or secretary of the entity in any political publication or communication it issues. Instead, under the act, all entities must include the name of the entity in their political publications and communications. Continuing law requires a candidate, legislative campaign fund, or campaign committee to include the phrase "paid for by" followed by the name of the entity in their political publications and communications.

Under continuing law, a political action committee or political contributing entity that has fewer than ten members is not required to identify itself in a political publication or communication. However, in order to qualify for this exception, the political action committee or political contributing entity must not spend more than an amount designated in statute and the expenditure must not be made in cooperation,

consultation, or concert with, or at the request or suggestion of, a political entity that does not qualify for this exception or a political action committee or political contributing entity with fewer than ten members that spends in excess of the designated amount.

Further, the act removes the requirement that an entity that issues a political radio or television communication either (1) identify the speaker with the person's name and residence address or (2) identify the chairperson, treasurer, or secretary of the entity with the name and residence or business address of that officer. Instead, the act requires an entity that issues a political radio or television communication to include the name of the entity. A candidate, legislative campaign fund, or campaign committee issuing such a communication must include the phrase "paid for by" followed by the name of the entity.

Finally, the act consolidates language describing the identification and disclaimer requirements for various entities when they print or broadcast communications and hold telephone banks concerning candidates and ballot issues.

DEPARTMENT OF TAXATION

- Accelerates the phase-in of an income tax rate reduction previously scheduled to reduce tax rates by 9% in the 2014 taxable year and 10% in the 2015 taxable year (compared to 2012 rates), by shifting the 10% rate reduction to the 2014 taxable year and thereafter.

- Increases the personal exemption amounts available to income taxpayers whose Ohio adjusted gross income is $80,000 or less, from $1,700 to either $2,200 or $1,950, depending on the taxpayer's income.

- Increases the Ohio earned income tax credit from 5% to 10% of a taxpayer's federal credit, subject to preexisting limitations on the maximum amount of credit allowed.

- Increases the income tax deduction for business income from 50% to up to 75% of that income for taxable years beginning in 2014 only.

- Would have required that all new water-works company tangible personal property first subject to taxation in tax year 2014 or thereafter be assessed at 25% of its true value, instead of 88% as required under existing law (VETOED).

- Exempts from taxation the property of a charitable organization that is used exclusively for receiving, processing, distributing, researching, or developing human blood, tissues, eyes, or organs.

- Reduces the number of years a fraternal organization must have been operating in Ohio to be eligible for a property tax exemption for property used primarily for meetings and administration.

- Requires the Superintendent of Real Estate and Professional Licensing to adopt administrative rules governing the qualifications of mass appraisal project managers.

- Allows a county with a population of between 375,000 and 400,000 (currently, Stark County) to use up to $500,000 of the revenue it receives each year from an existing lodging tax to finance the improvement of a stadium located in the county, in cooperation with other parties.

- Authorizes Allen County to levy a tax on hotel lodging transactions of up to 3% for the purpose of expanding, maintaining, or operating a soldier's memorial.

- Permits the Development Services Agency to issue one historic building rehabilitation tax credit certificate per fiscal biennium to the owner of a "catalytic project."

- Provides that the certificate may equal up to $25 million, instead of the $5 million cap that applies to other projects, but limits the owner of the catalytic project to claiming only $5 million of the total certificate amount per year.

- Temporarily authorizes owners of an historic rehabilitation tax credit certificate to claim a credit against the commercial activity tax (CAT) if the owner cannot claim the credit against another tax.

- Authorizes limited pass-through treatment of the CAT historic rehabilitation tax credit for corporate owners of a pass-through entity eligible to claim the credit.

- Authorizes political subdivisions to use revenue collected from tax increment financing (TIF) to fund the provision of gas or electric services by or through privately owned facilities if doing so is necessary for economic development.

- Modifies the procedure that the Tax Commissioner and a vendor may use to allow the vendor to remit sales tax on the basis of a prearranged agreement without keeping complete and accurate records of the vendor's taxable sales.

- Would have authorized the Department of Taxation to disclose otherwise confidential sales and use tax return or audit information to counties as necessary to verify vendor compliance with county sales and use taxes (VETOED).

- Extends, from 24 to 36 months, the period of time over which the Tax Commissioner may spread the recovery of refunds that are deducted from taxes and fees collected by the Commissioner and distributed to local governments.

Income tax rate reduction

(R.C. 5747.02)

The act accelerates the phase-in of a 10% income tax rate reduction previously not scheduled to be in full effect until 2015. In 2013, the General Assembly enacted the 10% reduction, which was to be phased-in over three years. Under the phase-in, tax rates that were in effect in 2012 were to be reduced by 8.5% for taxable years beginning in 2013, 9% for taxable years beginning in 2014, and 10% for taxable years beginning in

2015 or thereafter. The act accelerates the phase-in by applying the full 10% reduction to taxable years beginning in 2014 or thereafter.

Personal exemption increase for lower income taxpayers

(R.C. 5747.025)

Continuing law allows an income tax taxpayer to claim a personal exemption for the taxpayer, the taxpayer's spouse (if the spouses do not file separately), and the taxpayer's dependents. Under prior law, the personal exemption amount for each individual was $1,700.

The act increases this amount for taxpayers whose Ohio adjusted gross income is $80,000 or less as reported on the taxpayer's individual or joint annual return. Beginning with taxable years that begin in 2014, the personal exemption amounts will be tiered as follows:

Ohio adjusted gross income	Personal exemption amount
$40,000 or less	$2,200
$40,001 to $80,000	$1,950
$80,001 or more	$1,700

The Tax Commissioner is required to adjust the personal exemption amounts for inflation on an annual basis, but, under continuing law, those adjustments are suspended through 2015. Accordingly, the act specifies that inflation-indexing of the new exemption amounts will begin in 2016.

Earned income tax credit

(R.C. 5747.71)

The act increases the state earned income tax credit from 5% of the federal earned income tax credit to 10% of the federal credit, beginning in 2014. Because of preexisting limitations on the credit that will continue in effect, the doubling of the credit percentage will not necessarily result in a doubling of the credit amount for all qualifying taxpayers.

Continuing law authorizes a state earned income tax credit for taxpayers who are eligible to claim the federal credit. The state credit is nonrefundable, so it can result only in a reduction or elimination of tax liability, not a refund. The credit is further limited for taxpayers whose Ohio adjusted gross income exceeds $20,000 (joint or separate, and after subtracting personal exemptions): for such taxpayers, the credit cannot exceed 50% of the tax due after subtracting all other nonrefundable credits other than the joint filing

credit. This limitation means that the act's increase in the credit percentage will not result in a doubling of the credit for all qualifying taxpayers. As shown in the table below, the proposed maximum credit amounts for taxpayers with two or more qualifying children are less than twice the current maximum credit amounts, with the extent of the difference increasing with the number of qualifying children.

Maximum Earned Income Tax Credit for 2014				
Number of children	**Maximum FAGI (separate/joint)**	**Maximum federal credit**	**Current maximum Ohio credit (5%)**	**Proposed maximum Ohio credit (10%)***
No children	$14,590/$20,020	$496	$24.80	$74.40
One child	$38,511/$43,941	$3,305	$165.25	$330.50
Two children	$43,756/$49,186	$5,460	$273.00	$501.01
More than two	$46,997/$52,427	$6,143	$307.15	$524.88

* These amounts reflect the reduction in the credit for taxable incomes above $20,000 and the act's income tax rate reduction and personal exemption amount increase.

The federal earned income tax credit is computed as a percentage of a person's earnings (including self-employment income). The credit percentage for persons with no children is 7.65%, 34% for those with one child, 40% for those with two children, and 45% for those with three or more children. The credit amount is phased out as a person's income increases. Various eligibility criteria must be satisfied, including limits on investment income ($3,350 for 2014), minimum and maximum ages (25 to 65 years), and qualifications for qualifying children. The federal credit is refundable.

Business income deduction

(Sections 610.20 and 610.21)

The act authorizes a temporary increase in the income tax deduction for business income. Existing law, which continues to apply to all taxable years other than the 2014 taxable year, authorizes a deduction equal to 50% of a taxpayer's business income. The act allows the Director of OBM and the Tax Commissioner to increase the deduction to up to 75% of business income for taxable years beginning in 2014.

The amount of the temporary increase will depend on the amount of surplus revenue credited to the GRF in fiscal year 2014. After providing for transfers to the Budget Stabilization Fund and the Medicaid Reserve Fund, and after reserving an amount necessary to offset the cost of the act's acceleration of a previously scheduled income tax rate reduction, the OBM Director and Tax Commissioner must determine the amount of revenue remaining that can be used to offset the temporary increase in

the business income tax deduction. The amount of the increase may equal up to 25% (resulting in a total deduction of up to 75% of business income).

If the total deduction is increased to 75% of business income, the maximum allowable deduction for the 2014 taxable year is $187,500 (or $93,750 for a spouse filing separately). If the increase results in a total deduction of less than 75% of business income, the maximum deduction amounts must be reduced proportionately.

The deduction percentage reverts to 50% for taxable years beginning after 2014, and the maximum allowable deduction reverts back to $125,000 ($64,500 for spouses filing separately) for those years.

Business income is income from the regular conduct of a trade or business, including gains or losses, and includes gains or losses from liquidating a business or from selling goodwill. The deduction applies only to the portion of business income apportioned to Ohio under the existing law for apportioning business income among Ohio and any other states where business is conducted.

As under prior law, the deduction does not affect the school district income tax base.

Water-works company tangible personal property tax assessment (VETOED)

(R.C. 5727.111)

Continuing law imposes a property tax on the tangible personal property of public utilities. The tax is calculated by determining the taxable value of a company's property, allocating that value among the jurisdictions in which the property is located, and multiplying the apportioned values by the property tax rates in effect in the respective jurisdictions. The taxable value of a company's tangible personal property equals its "true" value (the cost of the property as capitalized on the company's books, less composite annual allowances prescribed by the Tax Commissioner), multiplied by an assessment percentage specified in law.

Under current law, the tangible personal property of a water-works company is assessed at 88% of its true value. The Governor vetoed a provision that would have reduced the assessment rate for all new water-works company first subject to taxation in tax year 2014 or thereafter to 25% of the property's true value.

Property tax exemption for organ and blood donation organizations

(R.C. 5709.12; Section 757.50)

The act exempts from taxation real property owned by an organization that qualifies for an exemption from federal income taxation as a charitable organization described in section 501(c)(3) of the Internal Revenue Code if that property is used by the organization exclusively for receiving, processing, distributing, researching, or developing human blood, tissues, eyes, or organs. The exemption applies beginning in tax year 2014.

Property tax exemption for fraternal organizations

(R.C. 5709.17; Section 757.50)

The act reduces the number of years a fraternal organization that provides financial support for charitable purposes must have been operating in Ohio to be eligible for a property tax exemption for property used primarily for meetings of that organization. To qualify for the exemption under prior law, the fraternal organization must have operated in Ohio with a state governing body for at least 100 years. The act reduces the number of years of Ohio operation a fraternal organization must have to qualify for the exemption to 85 years. The new threshold begins to apply for tax year 2014.

Under continuing law, to qualify for the exemption, the fraternal organization must also qualify for exemption from federal income tax under section 501(c)(5), 501(c)(8), or 501(c)(10) of the Internal Revenue Code. Such federal exemptions apply to labor, agricultural, or horticultural organizations; fraternal beneficiary societies, orders, or associations operating under the lodge system for the exclusive benefit of the members of a fraternity itself or operating under the lodge system and providing for the payment of life, sick, accident, or other benefits to the members of the society, order, or association or their dependents; and domestic fraternal societies, orders, or associations operating under the lodge system, the net earnings of which are devoted exclusively to religious, charitable, scientific, literary, educational, and fraternal purposes.

The exempted property must be used primarily for the meetings and administration of the fraternal organization. Property is disqualified for the exemption for a tax year if it is held to produce net rental income in excess of $36,000 in the tax year.

Rules governing approval of mass appraisal project managers

(R.C. 5713.012)

Under continuing law, a county auditor must contract with at least one "qualified project manager" to plan and manage each reappraisal, triennial update, or other county-wide property valuation initiated by the auditor's office after September 10, 2014. To qualify as a project manager, a person must attend a 30-hour course approved by the Superintendent of Real Estate and Professional Licensing and pass the final exam given at the end of the course. The person must also complete at least seven hours of continuing education courses in mass appraisal every two years, beginning with the two-year period after the year in which the person completes the 30-hour course.

The act requires the Superintendent to adopt certain administrative rules governing the qualifications of project managers. The rules must specify:

(1) Standards to be used by the Superintendent in approving each 30-hour and continuing education course;

(2) The manner in which a person may apply to offer a 30-hour or continuing education course.

Lodging tax

For stadium improvements

(R.C. 133.07, 307.678, and 5739.09(A)(1) and (J))

The act authorizes a county with a population of between 375,000 and 400,000 to use up to $500,000 of the revenue it receives each year from an existing lodging tax to finance the improvement of a stadium located in the county. Currently, the only county that meets the act's population requirements is Stark County.

Under continuing law, counties, townships, municipal corporations, and certain convention facilities authorities may levy lodging taxes. In general, the maximum lodging tax rate permitted in any location is 6%. Municipalities and townships may levy a lodging tax of up to 3%, plus an additional 3% if they are not located, wholly or partly, in a county that already levies a lodging tax. Counties may levy a lodging tax of up to 3%, but only in municipalities or townships that have not already enacted an additional 3% levy.[46]

[46] On occasion, the General Assembly has authorized certain counties to levy additional lodging taxes for special purposes.

Unless specifically authorized otherwise, a county that levies a lodging tax must return up to one-third of its net lodging tax revenue to the municipalities and townships within the county that do not levy a lodging tax. The remaining revenue must be used to support a convention and visitors' bureau. In general, the bureau must use the revenue for tourism sales, marketing, and promotion.

Stark County currently levies a 3% lodging tax, with 1% returned to municipalities and townships and 2% distributed to the Stark County Convention and Visitors' Bureau (after deduction for administrative expenses).[47]

The act authorizes the county to enter into an agreement with its convention and visitors' bureau under which both parties agree to use revenue from the county's existing lodging tax to fund the improvement of a stadium. The agreement must be entered into before January 1, 2016. Additional parties to the agreement may include: the municipal corporation and school district within which the stadium is located, a port authority, and a nonprofit corporation that has authority under its organization documents to acquire, construct, renovate, or otherwise improve a stadium.

The act limits the amount of existing lodging tax revenue that the county may allocate to the stadium improvement project each year to $500,000. The act also requires that the parties' agreement delineate the responsibilities of each party with respect to the management of the project and the financing of the project costs. Among such costs are the costs of acquiring, constructing, renovating, or otherwise improving the stadium, including the costs of architectural, engineering, and other professional services; the financing of bonds issued to fund the project; the reimbursement of money advanced for the project by parties to the agreement; inspections and testing costs; administrative and insurance costs; and costs related to advocating the enactment of legislation to facilitate the development and financing of the project.

The project agreement must also include a provision under which the parties agree to the transfer of ownership of, property interests in, or rights to use the stadium to either a party to the agreement or another person. Such a transfer may be completed without undertaking any bidding requirements.

For soldiers' memorial

(R.C. 5739.09(K))

The act authorizes the county commissioners of a county with a population between 103,000 and 107,000 – currently only Allen County – to levy a tax on hotel

[47] *See* www.starkcountyohio.gov/auditor/resources/lodging-tax.

lodging transactions of up to 3% for the purpose of expanding, maintaining, or operating a memorial to commemorate the service of members and veterans of the U.S. Armed Forces ("soldiers' memorial"). To levy the tax, the board must adopt a resolution on or before March 15, 2015 (six months after the provision's effective date). The act empowers the board to adopt rules necessary for the administration of the tax.

Continuing law authorizes a county to issue bonds or, with voter approval, to levy a property tax to fund the construction, operation, and maintenance of a soldiers' memorial, which may include one or more buildings. A soldiers' memorial is maintained and operated by a board of trustees appointed by county commissioners.

Historic building rehabilitation tax credit for "catalytic" projects

(R.C. 149.311; Section 757.40)

Continuing law

Continuing law establishes the historic building rehabilitation tax credit, which equals 25% of the qualified expenditures a taxpayer makes for rehabilitating a building of historical significance in accordance with certain preservation criteria. A person seeking the credit is required to apply to the Director of the Development Services Agency, who evaluates the application and may approve a credit by issuing a tax credit certificate. Under prior law, the maximum certificate amount issued for a rehabilitation project was $5 million. Under continuing law, the total amount of certificates issued per year may not exceed $60 million.

Credit for catalytic projects

The act permits the Director to issue a tax credit certificate of up to $25 million to a person whose rehabilitation of an historic building qualifies as a "catalytic project." To qualify as such, the rehabilitation of the historic building must foster economic development within 2,500 feet of the building. The project must also meet all of continuing law's requirements for the historic building rehabilitation tax credit.

Before issuing a certificate for a catalytic project, the Director must determine whether the rehabilitation qualifies as a catalytic project and, if so, consider the number of jobs the catalytic project will create and the effect that issuance of the certificate would have on the availability of credits for other applicants within the annual $60 million certificate cap.

Limit on number of credits issued per biennium

Approval of a certificate for a catalytic project is at the discretion of the Director. However, the Director may issue only one certificate for a catalytic project per fiscal

biennium. In addition, for the biennium that includes FY 2014 and 2015, the Director may issue the certificate only to the owner of a catalytic project who applies for the certificate after September 15 but before December 31, 2014, and whose rehabilitation expenditures exceed $75 million.

Credit amount limit

The act requires that persons issued a certificate for a catalytic project claim the refundable credit in increments of $5 million per year. (For example, if a person is issued a catalytic project certificate for $25 million, the person would claim a refundable credit of $5 million for five years.) The issuance of a catalytic project certificate is subject to the total annual $60 million certificate cap.

Dual applications

A person may apply for a tax credit certificate under both the catalytic project program and the existing program with respect to the same project; however, only one certificate may be awarded per project. If the applications are submitted at the same time, the Director must consider each application at the time it is received (rather than requiring the applicant to apply under only one program at a time).

Temporary historic rehabilitation CAT credit

(Section 757.20)

The act temporarily authorizes the owner of an historic rehabilitation tax credit certificate to claim that credit against the commercial activity tax (CAT) if the certificate becomes effective after 2013 but before June 30, 2015 and the owner is not able to claim the credit against another tax ("qualifying certificate owner"). Continuing law authorizes the certificate holder to claim the credit against the personal income tax, financial institutions tax, or foreign or domestic insurance company premiums tax.

A qualifying certificate owner may claim the credit against the CAT for the calendar year specified in the certificate, but only for CAT tax periods ending before July 1, 2015. The amount of the CAT credit equals the lesser of 25% of the owner's rehabilitation costs listed on the certificate or $5 million. Although the credit is refundable, if an amount would be refunded to the owner in a calendar year, the owner may not claim more than $3 million of the credit for that year. However, the owner may carry forward any unused credit for up to the five following calendar years. The act requires the certificate owner to retain the tax credit certificate for four years after the last year the owner claims the CAT credit for possible inspection by the Tax Commissioner.

The act authorizes corporate owners of a qualifying certificate owner that is a pass-through entity that are not themselves pass-through entities to claim the credit against the owners' CAT according to mutually agreed-upon proportions if the owners are either of the following:

- Expressly authorized to claim the credit in that proportion on the tax credit certificate.

- Part of the same consolidated elected or combined taxpayer as the pass-through entity. (Continuing law allows a group of commonly owned or controlled persons to elect to file and pay the CAT on a consolidated basis as "consolidated elected taxpayers" in exchange for excluding otherwise taxable gross receipts from transactions with other members of the group. Commonly owned or controlled persons that do not make that election are treated, together with their common owners, as "combined taxpayers." A combined taxpayer reports and pays CAT as a single taxpayer, but members of a combined taxpayer may not exclude receipts arising from transactions between members.)

Additionally, the act authorizes a qualifying certificate owner that is not a CAT taxpayer to file a CAT return for the purpose of claiming the historic rehabilitation tax credit. This enables a business with less than $150,000 in taxable gross receipts that is not a sole proprietor or a pass-through entity composed solely of individual owners, or a nonprofit organization, to claim a tax "credit" as if the business or organization were a CAT taxpayer.

Authorized uses of TIF revenue

(R.C. 5709.40)

The act expressly authorizes municipal corporations to use revenue collected from tax increment financing (TIF) to fund the provision of gas or electric services by or through privately owned facilities if doing so is necessary for economic development.

Under continuing law, a political subdivision may wholly or partially exempt from property taxation any increase in value of property where economic development is desired. The subdivision may then collect payments from the owner of the property equal to the amount of real property taxes the local government would have received from the increased value. Continuing law authorizes subdivisions to use the proceeds from the payments primarily to fund public infrastructure improvements as specified in the ordinance approving the TIF, including "the provision of" gas or electric facilities.

Remission of sales tax based on prearranged agreement

(R.C. 5739.05; Section 812.70)

Effective November 3, 2014, the act makes several modifications to a procedure under continuing law that the Tax Commissioner and a vendor may use to allow the vendor to remit sales tax on the basis of a prearranged agreement without keeping complete and accurate primary records of the vendor's taxable sales (e.g., individual receipts or guest checks). Pursuant to a continuing administrative rule governing prearranged vendor remittance agreements, such agreements are available only to licensed food service operations (e.g., restaurants and fast-food establishments).[48]

The act modifies the prearranged vendor remittance agreement procedure as follows:

- Removes the requirement in prior law that the Commissioner find that the vendor's business is such that the maintenance of such records would impose an unreasonable burden before entering into a prearranged agreement.

- Makes permissible, rather than a requirement as under prior law, that the Commissioner and the vendor agree to a "test check" to determine the proportion of the vendor's sales that are taxable for purposes of the agreement, and allows the Commissioner and vendor to agree to use another method to arrive at the proportion of the vendor's taxable sales.

- Bases the proportion of taxable sales solely on the terms and conditions of the prearranged agreement, rather than only on the test check as under prior law, until the vendor or Commissioner believes that the vendor's business has changed so that the agreement is no longer representative of that proportion.

- Makes cancellation of such a prearranged agreement effective on the last day of the month in which the notice was received instead of, as under prior law, the day the notice was received. Under continuing law, the Commissioner may notify the vendor at any time that the Commissioner is revoking a prearranged agreement, and the vendor may notify the Commissioner that the vendor will no longer remit tax under such an agreement.

[48] O.A.C. 5703-9-08.

Disclosure of sales and use tax information to counties (VETOED)

(R.C. 5703.21)

The Governor vetoed a provision that would have authorized the Department of Taxation to disclose otherwise confidential sales and use tax return or audit information to boards of county commissioners as necessary to verify vendor compliance with a county's sales and use taxes. Under continuing law, the Department is generally prohibited from releasing information about a person's business, property, or transactions.

Recovery of local government tax refunds

(R.C. 5703.052; Section 757.70)

Under continuing law, the Tax Commissioner is responsible for the administration of certain taxes and fees imposed by local governments (e.g., county sales taxes, school district income taxes, and local cigarette and alcohol taxes). The Commissioner collects the tax or fee and distributes the revenue to the appropriate local government. When a taxpayer is entitled to a refund of a tax or fee, the Commissioner must pay the refund from the state Tax Refund Fund and withhold the amount of the refund from the next distribution of revenue due to the local government.

Under prior law partially changed by the act, if the amount of a refund exceeds 25% of a local government's next distribution, the Commissioner was permitted to spread the recovery of the refund over multiple distributions made to the local government over the succeeding 24 months. The act extends this recovery period to 36 months. The change applies to any refund that has not been fully recovered before September 15, 2014 (the act's effective date).

- Authorizes the Director of Transportation to allow associations of local governments to participate in Department of Transportation contracts for the purchase of machinery, materials, supplies, or other articles, and exempts those purchases from competitive bidding.
- Creates the Maritime Port Funding Study Committee to explore alternative funding mechanisms for Ohio's maritime ports.
- Designates the portion of U.S. 23 in Scioto County, from mile marker 3 to mile marker 10, as the "Branch Rickey Memorial Highway," in addition to the portion of that road that is already designated under continuing law.

Local government participation in Department contracts

(R.C. 5513.01)

The act allows the Director of Transportation to permit regional planning commissions, regional councils of government, or other associations of local governments to participate in a contract that the Director has entered into for the purchase of machinery, materials, supplies, or other articles. Any such purchase made by those local government entities is exempt from any competitive bidding requirements otherwise required by law. Additionally, the act makes technical changes to the statute governing contracts entered into by the Director for the purchase of machinery, materials, supplies, and other articles.

Under continuing law, the Director may permit the Ohio Turnpike and Infrastructure Commission, any political subdivision, and any state university or college to participate in such contracts. Purchases made by those entities also are exempt from competitive bidding requirements. For purposes of this statute, "political subdivision" means any county, township, municipal corporation, conservancy district, township park district, park district, port authority, regional transit authority, regional airport authority, regional water and sewer district, county transit board, or school district. As a result of changes made by the act, "political subdivision" also means a regional planning commission, regional council of government, or other association of local governments.

Maritime Port Funding Study Committee

(Section 745.10)

The act creates the Maritime Port Funding Study Committee to study alternative funding mechanisms for maritime ports in Ohio that may be utilized beginning in fiscal year 2016-2017. The Committee must issue a report of its findings and recommendations by January 1, 2015, to the Governor, the President and Minority Leader of the Senate, and the Speaker and Minority Leader of the House. After submitting the report, the Committee will cease to exist.

The Committee must consist of the following ten members, who must be appointed not later than 30 days after September 15, 2014:

- Two members of the Senate, one member of the majority party and one member of the minority party, both appointed by the President of the Senate;

- Two members of the House, one member of the majority party and one member of the minority party, both appointed by the Speaker;

- Two members appointed by the Governor, one of whom must be from the Department of Transportation and be knowledgeable about maritime ports and one of whom must be from the Development Services Agency; and

- Four members appointed jointly by the President of the Senate and the Speaker of the House, each of whom must represent maritime port interests on behalf of a major maritime port, and none of whom may represent the same maritime port.

The Committee must select a chairperson and vice-chairperson from among its members and must meet within one month after September 15, 2014, at the call of the Senate President. Thereafter, the Committee must meet at the call of its chairperson as necessary to carry out its duties. Members are not entitled to compensation for serving on the Committee, but may continue to receive the compensation and benefits accruing from their regular offices or employment.

Branch Rickey Memorial Highway

(R.C. 5533.051)

The act designates the portion of U.S. Route 23 in Scioto County from mile marker 3 to mile marker 10 as the "Branch Rickey Memorial Highway," in addition to

the portion of U.S. Route 23 in Delaware County that carries that designation under continuing law. The act also authorizes the Director of Transportation to erect suitable markers along the designated portion of the highway indicating its name. Branch Rickey was a general manager and president of the Brooklyn Dodgers from Stockdale, Ohio. He is known for signing Jackie Robinson, the first African-American to play Major League Baseball.

- Permits state obligations issued to finance a transportation facility pursuant to a public-private agreement to have a maximum maturity of 45 years.
- Permits the costs associated with the issuance of the obligations, such as services provided by attorneys, financial advisors, and other agents, to be paid from sources other than state infrastructure bank funds, if so provided in the bond proceedings.
- Specifies that, if the obligations are additionally secured by a trust agreement or indenture with a trust company or bank:

  (1) The trust company or bank may have a place of business outside the state; and

  (2) The trust company or bank must possess corporate trust powers.

State infrastructure bank obligations

(R.C. 5531.10)

The act modifies the state infrastructure bank with respect to the obligations issued to fund public or private transportation projects deemed qualified by the Director of Transportation. Under ongoing law, the Treasurer of State is authorized to issue obligations with a maximum maturity of 25 years from the date of issuance. The act increases the maximum maturity for *certain* obligations. Under the act, if obligations are issued to finance a transportation facility pursuant to a public-private agreement, the maximum maturity of the obligations is 45 years from the date of issuance. "Public-private agreement" means the agreement between a private entity and the Department of Transportation that relates to the development, financing, maintenance, or operation of a transportation facility, subject to Ohio law governing the Department's public-private partnerships. "Private entity" is defined as any natural person, corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation, nonprofit entity, or other business entity. "Transportation facility" means all of the following:

(1) All publicly owned modes and means of transporting people and goods, including physical facilities, garages, district offices, and other related buildings, highways, rights-of-way, roads and bridges, parking facilities, aviation facilities, port facilities, rail facilities, public transportation facilities, rest areas, and roadside parks;

(2) Tunnels, ferries, port facilities on navigable waters that are used for commerce, intermodal facilities, or similar facilities open to the public and used for the transportation of persons or goods;

(3) Any buildings, structures, parking areas, or other appurtenances or properties needed to operate a transportation facility that is subject to a public-private agreement.[49]

Former law specified that the costs associated with the issuance of the obligations, such as marketing costs and the costs of services provided by financial advisors, accountants, attorneys, or other consultants, were to be paid from the funds of the state infrastructure bank. The act allows for those costs to be paid from another source if provided for in the bond proceedings.

Under ongoing law, the Treasurer of State may additionally secure the obligations by a trust agreement or indenture between the Treasurer and a corporate trustee. Former law required that the corporate trustee be a trust company or bank having a place of business in Ohio. The act requires that the trust company or bank possess corporate trust powers. It also permits the use of a trust company or bank that has a place of business outside of Ohio.

[49] R.C. 5501.70, not in the act.

DEPARTMENT OF YOUTH SERVICES

Child abuse or neglect

- Requires a person who reports abuse, neglect, or threat of abuse or neglect of a child under 18, or a mentally retarded, developmentally disabled, or physically impaired child under 21, to direct the report to the State Highway Patrol if the child is a delinquent child in the custody of a Department of Youth Services (DYS) institution or a private entity under contract with DYS.

- Requires the Patrol, upon finding probable cause of the abuse, neglect, or threat, to report its findings to DYS, the court that ordered the delinquent child's custody to DYS, the public children services agency in the child's county of residence or where the abuse, neglect, or threat occurred, and the Correctional Institution Inspection Committee.

- Adds a superintendent or regional administrator employed by DYS to the list of persons prohibited from failing to make reports of abuse or neglect or threat of abuse or neglect of a child under 18 years of age or a mentally retarded, developmentally disabled, or physically impaired child under 21 years of age.

Quality Assurance Program

- Establishes the Office of Quality Assurance and Improvement within DYS.

- Provides that quality assurance records are confidential and are not public records.

- Provides circumstances for when quality assurance records may be disclosed and testimony may be provided concerning those records.

Placement of delinquents in a community corrections facility

- Allows DYS, with the consent of the juvenile court with jurisdiction over the Montgomery County Center for Adolescent Services, to establish a single unit within the community corrections facility for female felony delinquents committed to DYS's custody.

- Permits DYS to place female felony delinquents in the facility without separate approval of the court.

County juvenile program allocations

- Amends a provision pertaining to the formula for DYS's division of county juvenile program allocations among county juvenile courts.

Child abuse or neglect

Report to State Highway Patrol

(R.C. 5139.12)

The act requires any person who is required to report the person's knowledge of or reasonable cause to suspect abuse or neglect or threat of abuse or neglect of a child under 18 years of age or a mentally retarded, developmentally disabled, or physically impaired child under 21 years of age or any person who is permitted to report or cause such a report to be made and who makes or causes the report to be made, to direct that report to the State Highway Patrol if the child is a delinquent child in the custody of an institution under the management and control of the Department of Youth Services (DYS) or a private entity with which DYS has contracted for the institutional care and custody of felony delinquents. If the State Highway Patrol determines after receipt of the report that there is probable cause that abuse or neglect or threat of abuse or neglect of the delinquent child occurred, the Patrol must report its findings to DYS, to the court that ordered the disposition of the delinquent child for the act that would have been an offense if committed by an adult and for which the delinquent child is in the custody of DYS, to the public children services agency in the county in which the child resides or in which the abuse or neglect or threat of abuse or neglect occurred, and to the chairperson and vice-chairperson of the Correctional Institution Inspection Committee.

Mandatory reporters

(R.C. 2151.421)

The act adds a superintendent or regional administrator employed by DYS to the list of persons who are required to report known or suspected child abuse or neglect. Under continuing law, a number of other persons, such as doctors, teachers, and social workers, who are acting in an official or professional capacity and know, or have reasonable cause to suspect based on facts that would cause a reasonable person in a similar position to suspect, that a child under 18 years of age or a mentally retarded, developmentally disabled, or physically impaired child under 21 years of age has suffered or faces a threat of suffering any physical or mental wound, injury, disability, or condition of a nature that reasonably indicates abuse or neglect of the child are prohibited from failing to immediately report that knowledge or reasonable cause to suspect. Generally, the person making the report must make it to the public children services agency or a municipal or county peace officer in the county in which the child resides or in which the abuse or neglect is occurring or has occurred.

Quality Assurance Program

(R.C. 5139.45)

The act creates within DYS the Office of Quality Assurance and Improvement (Office). The Director of DYS must appoint a managing officer to carry out quality assurance program activities, which means the activities of the institution and the Office, of persons who provide, collect, or compile information and reports required by the Office, and of persons who receive, review, or implement the recommendations made by the Office. Quality assurance program activities include credentialing, infection control, utilization review including access to patient care, patient care assessments, medical and mental health records, medical and mental health resource management, mortality and morbidity review, and identification and prevention of medical or mental health incidents and risks, whether performed by the Office or by persons who are directed by the Office.

Under the act, a "quality assurance program" is a comprehensive program within DYS to systematically review and improve the quality of programming, operations, education, medical and mental health services within DYS and DYS's institutions, and the efficiency and effectiveness of the utilization of staff and resources in the delivery of services within DYS and DYS's institutions. An institution is a state facility that is created by the General Assembly and that is under the management and control of DYS or a private entity with which DYS has contracted for the institutional care and custody of felony delinquents.

The act defines a "quality assurance record" as the proceedings, records, minutes, and reports that result from quality assurance program activities. It does not include aggregate statistical information that does not disclose the identity of persons receiving or providing services in institutions. Quality assurance records generally are confidential and are not public records under the Public Records Law and must be used only in the course of the proper functions of a quality assurance program. The act prohibits a person who possesses or has access to quality assurance records and who knows that the records are quality assurance records from willfully disclosing the contents of the records to any person or entity. The act also provides that a quality assurance record is generally not subject to discovery and is not admissible as evidence in any judicial or administrative proceeding. Under the act, no employee of the Office or a person who is performing a function that is part of a quality assurance program is permitted or required to testify in a judicial or administrative proceeding with respect to a quality assurance record or with respect to any finding, recommendation, evaluation, opinion, or other action taken by the Office or program or by the person within the scope of the quality assurance program.

The act provides that information, documents, or records otherwise available from original sources cannot be unavailable for discovery or inadmissible as evidence in a judicial or administrative proceeding merely because they were presented to the Office. A person who is an employee of the Office cannot be prohibited from testifying as to matters within the person's knowledge, but the person cannot be asked about an opinion formed by the person as a result of the person's quality assurance program activities.

Under the act, quality assurance records may be disclosed, and testimony may be provided concerning quality assurance records, only to the following persons or entities or under the following circumstances:

- Persons who are employed or retained by DYS and who have the authority to evaluate or implement the recommendations of an institution or the Office;

- Public or private agencies or organizations if needed to perform a licensing or accreditation function related to institutions or to perform monitoring of institutions as required by law;

- A governmental board or agency, a professional health care society or organization, or a professional standards review organization, if the records or testimony are needed to perform licensing, credentialing, or monitoring of professional standards with respect to medical or mental health professionals employed or retained by DYS;

- A criminal or civil law enforcement agency or public health agency charged by law with the protection of public health or safety, if a qualified representative of the agency makes a written request stating that the records or testimony are necessary for a purpose authorized by law;

- In a judicial or administrative proceeding commenced by an entity described in the two preceding dot points for a purpose described in those dot points but only with respect to the subject of the proceedings.

A disclosure of quality assurance records does not otherwise waive the confidential and privileged status of the disclosed quality assurance records. The name and other identifying information regarding individual patients or employees of the Office contained in a quality assurance record must be redacted from the record prior to the disclosure of the record unless the identity of an individual is necessary for the purpose for which disclosure is being made and does not constitute a clearly warranted invasion of personal privacy.

The act provides that a person who, without malice and in the reasonable belief that the information is warranted by the facts known to the person, provides information to a person engaged in quality assurance program activities is not liable for damages in a civil action for injury, death, or loss to person or property as a result of providing the information. An employee of the Office, a person engaged in quality assurance program activities, or an employee DYS is not liable in damages in a civil action for injury, death, or loss to person or property for any acts, omissions, decisions, or other conduct within the scope of the functions of the quality assurance program.

The act states that nothing in the above-described provisions relieves any institution from liability arising from the treatment of a patient.

Placement of delinquents in a community corrections facility

(R.C. 5139.36(E), 2152.19(A)(8), 5139.05(A), and 5139.34(C)(4))

Subject to specified conditions pertaining to a child's age and the nature of a child's delinquent act (see "**Conditions**," below), the act provides that any juvenile court order committing a delinquent child to DYS as authorized under the Juvenile Court Law, R.C. Chap. 2152., has the effect of ordering DYS to either: (1) assign the child to an institution under the control and management of DYS, or (2) place the child in a community corrections facility. Under prior law, the court order had the effect of ordering DYS to assign the child to an institution under the control and management of DYS, but did not authorize DYS to place the child in a community corrections facility.

The act eliminates a provision in Juvenile Court Law that prohibited a juvenile court, in the case of a child who was adjudicated a delinquent child, from making an order of disposition that places the child in a community corrections facility, if the court had committed the child to the legal custody of DYS for institutionalization or institutionalization in a secure facility and the child would have been covered by the definition of a public safety beds in provisions of the Revised Code concerning the felony delinquent care and custody program.

The act allows DYS, with the consent of the juvenile court with jurisdiction over the Montgomery County Center for Adolescent Services, to establish a single unit within the community corrections facility for female felony delinquents committed to DYS' custody. If the unit is established, DYS may place a female felony delinquent committed to DYS' custody into the unit in the community corrections facility. The committing court is not required, under the act, to approve the placement.

The act also relocates, but does not substantively change, the provisions stating that a child placed in a community corrections facility must remain in the legal custody

of DYS during the period the child is in the facility and that DYS must charge bed days to the county.

Conditions

Under continuing law, a Juvenile Court cannot commit a child to DYS unless the child is at least 10 years of age at the time of the child's delinquent act, and, if the child is 10 or 11 years, the delinquent act is a violation of the offense of arson or would be aggravated murder, murder, or a first or second degree felony offense of violence if committed by an adult.

County juvenile program allocations

(R.C. 5139.41)

The act amends a provision pertaining to the formula for DYS's division of county juvenile program allocations among county juvenile courts that administer programs and services for prevention, early intervention, diversion, treatment, and rehabilitation for alleged or adjudicated unruly or delinquent children and children who are at risk of becoming unruly or delinquent children. Continuing law requires DYS to subtract a credit for a specified portion of chargeable bed days from the allocations determined under the formula. Under the act, this includes a credit for every chargeable bed day *while a youth is in DYS custody*. The language in the act would replace language that required DYS to subtract a credit for every chargeable bed day *a youth stays in a DYS institution*.

LOCAL GOVERNMENT

County transit franchise agreements

- Permits a board of county commissioners, on behalf of a county transit board, to award a franchise to a franchisee to operate a public transit system.

- Authorizes the board of county commissioners to issue a certification to the franchisee to operate the public transit system and prohibits the franchisee from operating the system until the certification is issued.

- Requires a certification to include certain performance targets for the franchisee, including cost savings to the county, gains in efficiency, safety and security, service to the traveling public, return on investments, and any other performance targets as determined by the board.

- Specifies that a franchise may include the right of a franchisee to provide transportation services for a county department of job and family services.

- Prescribes a competitive bidding procedure that a board of county commissioners must follow when it awards a franchise to operate a public transit system.

- Provides that if a board of county commissioners awards a franchise to a franchisee on behalf of a county transit board, the board of county commissioners, the county transit board, and the franchisee all are required to submit certain annual reports.

Other provisions

- Converts the judgeship of the Avon Lake Municipal Court from part-time to full-time.

- Extends the option to select three-year or permanent registration to persons who acquire a dog after the January 31 registration deadline, and clarifies that the penalty for failure to timely register a dog is the amount of the one-year registration fee.

- Effective December 1, 2014, revises the registration deadlines, options, and fees for dogs becoming three months of age after July 1 or purchased outside the state after that date.

- Permits county homes and district homes that are nursing facilities to provide sub-acute detoxification services to residents who have been determined to be addicted to opioids by the Preadmission Screening and Annual Resident Review System.

- Specifies that a township or village financial planning and supervision commission terminates when the township or village dissolves.

- Expands the individuals who are authorized to participate in a direct deposit payroll policy of a municipal corporation, county, or township.

- Allows art museums, upon meeting certain conditions, to receive annual payments, calculated on the basis of taxable property values, from boards of education, the governing board of an educational service center, and the city or county in which the art museum is located.

County transit franchise agreements

(R.C. 306.04, 306.14, 307.863, and 307.982)

The act eliminates two provisions of prior law that related to franchise agreements for the operation of a county transit system. The first provision permitted a board of county commissioners or a county transit board to enter into and supervise franchise agreements for the operation of a county transit system. The second provision permitted either board to accept the assignment of and then supervise an existing franchise agreement for the operation of a county transit system. The act replaces these two eliminated provisions with new provisions relating to county transit system franchise agreements.

Under the act, a board of county commissioners, on behalf of a county transit board, may award a franchise to an applicant subject to terms and conditions as the board of county commissioners considers appropriate and consistent with law. After awarding the franchise, the board of county commissioners may issue a certification. Until such issuance, the franchisee has no right to operate a public transit system or part of such a system. The board of county commissioners cannot delete, alter, or amend the terms and conditions of the certification after its issuance. The board is required to include in the certification performance targets related to the operation of a public transit system by the franchisee. The performance targets may include cost savings to the county, gains in efficiency, the safety and security of the traveling public and franchise employees, service to the traveling public, return on any investments made by the county, and any other performance targets as determined by the board. All terms and conditions of the order of certification are terms and conditions of the franchise. The franchisee must comply with all rules, regulations, orders, and ordinances, unless the certification expressly grants an exemption or waiver from any of the same.

The award of a franchise by a board of county commissioners to an applicant is the sole license and authority for the franchisee to establish a public transit system, and, subject to certification, to operate a public transit system. A franchise that a board of county commissioners awards must be for a period of not less than ten years. A franchise cannot prohibit the franchisee from implementing new or improved services during the term of the franchise. A franchisee is required to coordinate its services, as specified in the franchise, with public transit providers to make effective transportation services available to the public and provide access to and from the public transit system.

A board of county commissioners is required to provide terms and conditions in a franchise to ensure that the franchisee will continue operation of the public transit system for the duration of the franchise term. If the franchise is revoked, suspended, or abandoned, the board of county commissioners must ensure that financial and other necessary resources are available to continue the operation of the system until another franchisee is selected or until the board of county commissioners determines to cease the transit operations governed by the franchise. The franchise must provide specifically that the board has the right to terminate the franchise if the board determines that the franchisee has materially breached the franchise in any manner. The franchisee may appeal such a termination to the board, and, if the board upholds the termination, to the proper court of common pleas.

The act specifies that if a county transit board accepts a loan from any source, whether public or private, that acceptance does not in any way obligate the general fund of a county or a board of county commissioners.

Under the act, a "franchisee" may be an individual, corporation, or other entity that is awarded a franchise. A "franchise" is the document and all accompanying rights approved by a board of county commissioners that provides the franchisee with the exclusive right to establish a public transit system and, subject to certification, the right to operate a public transit system. A "franchise" may include the right of a franchisee to provide transportation services for a county department of job and family services. An "applicant" is any person who responds to a request for proposals and submits an application for a franchise to operate a public transit system or portion of a public transit system. An "application for a franchise" is the documents that are required to be filed in response to a request for proposals and that initiate the proceedings required for the award of a franchise. A "certification" is the order issued by a board of county commissioners, after submission of an application for certification, that approves the operation of a public transit system, or a portion of a public transit system, by a franchisee, subject to terms and conditions imposed by the board. An "application for certification" is the documents that are required to be filed by a franchisee to initiate the proceedings required for certification.

Competitive bidding for awarding a franchise

The act provides that, notwithstanding the continuing competitive bidding provisions that apply to boards of county commissioners, a board of county commissioners that awards a franchise to a franchisee on behalf of a county transit board to operate a public transit system is required to award the franchise through competitive bidding as prescribed in the act. The board must solicit bids that are not sealed, and must ensure that all bids the board receives are open for public inspection. The board is required to consider all bids that are timely received.

The fact that a bid proposes to be the most beneficial to the county monetarily in and of itself does not confer best bid status on that bid. In awarding a franchise to a bidder to operate a public transit system, the board may consider all of the following:

(1) The proposed monetary benefit to the county;

(2) The bidder's ownership of, or access to, transportation facilities or transportation equipment such as vehicles, automated transit systems, or any other equipment;

(3) The bidder's experience in operating public transit systems; and

(4) If the bidder has experience in operating public transit systems, the record of the bidder in relation to all aspects of operating a public transit system, including cost savings to a political subdivision, gains in efficiency, the safety and security of the traveling public and employees, service to the traveling public, return on any investments made by a political subdivision, and any other aspects the board includes for consideration.

Reports relating to a franchise

The act specifies a number of reporting requirements relating to the awarding of a franchise to operate a public transit system. First, if a board of county commissioners awards a franchise to a franchisee on behalf of a county transit board, the county transit board is required to submit an annual written report to the board of county commissioners not later than a date designated by the board of county commissioners and in a form prescribed by that board. The board of county commissioners must make the report available on the general website of the county. The county transit board must include in the report a description in detail of the effects the franchise agreement had during the prior year on all of the following as they relate to the operation of a public transit system by the franchisee in that county:

(1) Cost savings to the county;

(2) Efficiency;

(3) Safety and security of the traveling public and franchise employees;

(4) Service to the traveling public;

(5) Return on investment by the county; and

(6) Any other aspects the board of county commissioners determines should be included in the report.

Second, a franchisee that is awarded a franchise by a board of county commissioners on behalf of a county transit board is required to submit an annual written report to the board of county commissioners or county transit board not later than a date designated by the board of county commissioners and in a form prescribed by that board. The board of county commissioners also must direct the franchisee to submit the report to the board of county commissioners, the county transit board, or both. The board of county commissioners is required to establish the issues to be addressed in the report with respect to the public transit system that the franchisee operated during the prior year. The board of county commissioners must make the report available on the general website of the county.

Finally, a board of county commissioners that awards a franchise to a franchisee on behalf of a county transit board is required to conduct an annual review of the performance of the franchisee. The board of county commissioners must include in the review a determination of the number of performance targets the franchisee met during the prior year and an evaluation of the franchisee's compliance with the other terms and conditions of the franchise, including any breaches of the franchise by the franchisee. The board is required to issue a written report, and must make the report available on the general website of the county.

Transportation services and specified county agencies

The act specifies that a family services duty or workforce development activity includes transportation services provided by a county transit board. The act permits a board of county commissioners to delegate to a county transit board the authority to solicit bids and award and execute contracts for such transportation services on behalf of the board of county commissioners.

Continuing law permits a board of county commissioners to enter into a written contract with a private or government entity, including a public or private college or university, for the entity to perform a family services duty or workforce development activity on behalf of a county family services agency or workforce development agency.

Avon Lake Municipal Court

(R.C. 1901.08; Section 719.10)

The act converts the part-time judgeship of the Avon Lake Municipal Court to a full-time judgeship beginning on September 15, 2014 (the act's effective date). Under the act, the current part-time judge will serve as a full-time judge until the first full-time judge is elected in 2017.

Dog registration

(R.C. 955.01, 955.05, and 955.06; Section 812.43)

The act authorizes persons who acquire a dog after January 31 to register the dog for three years or permanently, instead of just for the current year. Three-year and permanent registration became available under a law enacted in 2013,[50] but the legislation did not offer the options to persons who acquire a dog after the annual December-January registration period. Under prior law, they had to register the dog for the rest of the year, and wait until the next December-January registration period to select a three-year or permanent registration, if they preferred either option over annual registration.

The act also revises the wording of the penalty for failing to timely register a dog to specify that the penalty equals the fee for the one-year registration. (Registration fees vary by county.)

Finally, effective December 1, 2014, the act requires the owner of a dog becoming three months of age after July 1 or a dog purchased outside the state after that date to register the dog within 90 days of the dog's becoming three months old or the date of purchase. It allows the owner to register the dog for the remainder of the current year, the remainder of the current year plus two additional years, or permanently, rather than for one year as in prior law. The owner must pay the following registration fee, rather than one-half of the original registration fee:

--One-half of the original fee for a one-year registration, if registering the dog for the remainder of the current year;

--83% of the original fee for a three-year registration, if registering the dog for the remainder of the current year plus two years; or

[50] Am. Sub. H.B. 59 of the 130th General Assembly, the 2014-2015 state operating budget.

--The original fee for a permanent registration, if registering the dog permanently.

County and district homes providing sub-acute detoxification

(R.C. 5155.28)

Counties are authorized to own and operate county homes. A county home owned and operated jointly by two or more counties is a district home. County homes and district homes may participate in Medicaid by obtaining certification from the Department of Health as a nursing facility.

The act permits a county home or district home that is a nursing facility to provide sub-acute detoxification services to residents who have been determined by the Preadmission Screening and Annual Resident Review (PASRR) system to be addicted to opioids.[51] The sub-acute detoxification services must include monitoring of such a resident 24 hours a day by health care professionals.

Termination of financial planning and supervision commission for township or village

(R.C. 118.27)

The act specifies, in the case of a township or village that is in fiscal emergency, that the financial planning and supervision commission established for the township or village terminates if the township or village dissolves. Under continuing law, in the absence of the dissolution of a township or village, the commission terminates only when a municipal corporation, county, or township (1) planned and is implementing an effective financial accounting and reporting system, the completion of which is expected within two years, (2) corrected and eliminated, or has planned and is implementing correction and elimination of all the fiscal emergency conditions, and new fiscal emergency conditions have not occurred, (3) has met the objectives of the financial plan, and (4) prepares a financial forecast for a five-year period.

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[51] PASRR is a federal requirement to help ensure that individuals are not inappropriately placed in nursing facilities. PASRR requires that all applicants to a nursing facility (1) be evaluated for mental illness, intellectual disability, or both, (2) be offered the most appropriate setting for their needs, and (3) receive the services they need in that setting. U.S. Centers for Medicare and Medicaid Services. *Preadmission Screening and Resident Review (PASRR)*, available at www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Delivery-Systems/Institutional-Care/Preadmission-Screening-and-Resident-Review-PASRR.html.

Local government direct deposit payroll policy

(R.C. 9.37)

The act expands the individuals who are authorized to participate in a direct deposit payroll policy of a municipal corporation, county, or township to include all public officials of those governments. As it applies to direct deposit policies, "public official" means "any elected or appointed officer, employee, or agent of . . . any political subdivision."[52] Prior law allowed only "employees" to participate in a direct deposit policy of a municipal corporation, county, or township.[53]

Payments to art museums by school boards and local governments

(R.C. 757.03 through 757.08)

The act includes art museums among the current entities that are allowed to receive annual payments, calculated on the basis of taxable property values, from boards of education, the governing board of an educational service center, and the city or county in which the art museum is located. The act imposes similar conditions on art museums as those currently required of a symphony association, area arts council, or other similar nonprofit corporation that receives similar payments under continuing law. In general, an art museum must, by a proper resolution that has been adopted by its board of trustees or other governing body, tender to the board of education, governing board, legislative authority, or board of county commissioners (1) the right to nominate certain trustees or certain other members of the board of trustees or other governing body of the art museum, (2) the right to nominate for membership on the executive committee of the art museum, trustees or other members representing the school district, educational service center, city, or county, and (3) the right to require the art museum to provide feasible performances that, in the judgment of the art museum and the board of education, educational service center, legislative authority, or board of county commissioners, will serve the largest interest of the school children or the citizens of the city or county.

Under continuing law, the payments are calculated as follows: in the case of a school district board of education, a sum of not to exceed 0.5¢ on each $100 of the taxable property in the district, and in the case of an educational service center governing board, a sum not to exceed 0.5¢ on each $100 of the taxable property of the territory of the service center, as valued on the tax duplicate for the next year before the date of the payment. The same calculation applies for cities and counties under

[52] R.C. 9.37(A).

[53] R.C. 9.37(G).

continuing law. Under the act, the same calculation will determine the amount of payments for art museums.

Qualifications for certain boards and commissions

- Defines "office of trust or profit" to specify which other positions an individual holds disqualify the individual from being elected or appointed to the State Board of Education, or appointed to: the State Personnel Board of Review, the Industrial Commission, the Unemployment Compensation Review Commission, the Liquor Control Commission, or the Public Utilities Commission.

Ohio Constitutional Modernization Commission

- Requires the 12 General Assembly members on the Ohio Constitutional Modernization Commission to meet, organize, and elect co-chairpersons, and to appoint additional members to re-create the Commission, not later than January 10 of every even-numbered year.

- Allows members of the Commission to continue in office until their successors are appointed.

Veterans memorial and museum

- Requires a new nonprofit corporation to be organized to operate a veterans memorial and museum that is to be constructed at a designated site in Columbus that is owned by the Franklin County Board of County Commissioners.

- Authorizes the Franklin County Board of County Commissioners to lease the site to an Ohio nonprofit corporation for the construction, development, and operation of the veterans memorial and museum.

- Authorizes a board of county commissioners to appropriate funds to the new nonprofit corporation or to the nonprofit corporation to which the county has leased the property for permanent improvements and operating expenses of the veterans memorial and museum.

- Provides for the appointment of the board of directors of the new nonprofit corporation.

- Specifies that meetings and records of the new nonprofit corporation are to be open to the public.

Federal-Military Jobs Commission

- Establishes a nine-member Federal-Military Jobs Commission (FMJC) to develop and maintain an ongoing strategy for retention and growth of federal-military agencies and missions and associated private sector jobs in the state.

- Requires the FMJC to issue a report of its activities, including the findings and evaluations required by the act, not later than April 1, 2015.

- Creates the Federal-Military Jobs Fund.

Appropriations of property under Eminent Domain

- Under the Eminent Domain Law, increases from $10,000 to $25,000 the maximum amount an agency (public or private agency or displacing agency) that appropriates property must pay to a farm owner, nonprofit corporation, or small business for reestablishment expenses.

- Increases from $20,000 to $40,000 the maximum fixed amount a displacing agency must pay to a person who is displaced from the person's place of business or farm operation in lieu of the payment of the reestablishment expenses.

- Increases from $22,500 to $31,000 the maximum additional payment such a displacing agency must pay to a person who is displaced from a dwelling the person owns and occupies.

- Reduces from 180 days to 90 days the period of time the displaced person must have occupied the dwelling prior to the initiation of negotiations for the acquisition of the property, for purposes of qualifying for the additional maximum payment of $31,000.

- Reduces from 180 days to 90 days the period of time the acquired dwelling must have been encumbered by a bona fide mortgage in order for the displaced person to be eligible for additional payment for any increased interest costs or debt service.

- Increases from $5,250 to $7,200 the maximum supplemental payment a displacing agency must pay to a person who is displaced from a dwelling to enable, under specified circumstances, the person to lease or rent a comparable replacement dwelling.

- Eliminates the existing limitation on the amount of the supplemental payment if the person occupied the dwelling for more than 90 but less than 180 days prior to the initiation of negotiations.

State Penal Museum

- Designates the museum located on the grounds of the Ohio State Reformatory, which is operated by the Mansfield Reformatory Preservation Society, as the official State Penal Museum.

Limitations period for actions against surveyors

- Establishes four years from the completion of the engagement on which the cause of action is based as the period within which a professional negligence action against a registered surveyor must be commenced.

Shock probation

- Permits an offender whose offense was committed before July 1, 1996, who otherwise satisfies the criteria for shock probation as the law applied prior to July 1, 1996, to make a one-time application to the offender's sentencing court for shock probation under that former law.

Criminal Justice Recodification Committee

- Creates the temporary Criminal Justice Recodification Committee to study Ohio's criminal statutes with the goal of enhancing public safety and the administration of justice and requires the Committee to submit recommendations to the General Assembly by January 1, 2016.

Lawrence County's use of former juvenile correctional facility

- Authorizes the Lawrence County Board of County Commissioners and the Director of Administrative Services to enter into an agreement pursuant to which the Lawrence County sheriff may use a specified portion of the former Ohio River Valley Juvenile Correctional Facility in Scioto County (referred to in the act as the Ohio River Valley Facility) as a jail.

- Specifies that if a portion of the Facility is used as a jail pursuant to such Ohio River Valley Facility agreement:

  (1) it may be used for confinement of prisoners from Lawrence County or another county that has entered into an agreement with the Lawrence County sheriff for its use;

  (2) it generally will be subject to the same laws and conditions as if it were a Lawrence County jail; and

(3) its use is subject to specified terms and conditions, including duties and responsibilities for its operation, management, payment of costs, and potential liability, etc., as if it were a Lawrence County jail.

International Symbol of Access

- Requires any person who erects or replaces a sign that contains the International Symbol of Access to use forms of the word "accessible" rather than any form of the words "handicapped" or "disabled" whenever words are included on the sign.

Community improvement corporations

- Provides that, in addition to land, a community improvement corporation may sell, lease, or accept the conveyance of other categories of real property (buildings, structures, and other improvements to land) owned by a political subdivision that has designated the corporation as its agent for economic development purposes.

Qualifications for certain boards and commissions

(R.C. 124.05, 3301.03, 4121.02, 4141.06, 4301.07, and 4901.05)

In six statutes prescribing qualifications for membership of certain state boards or commissions, the act changes terms such as "office or position of public trust" or "public position of trust or profit" to "office of trust or profit." The act defines "office of trust or profit" to mean (1) a federal or state elective office or an elected office of a political subdivision of the state, (2) a position on a board or commission of the state that is appointed by the Governor, (3) an administrative department head, certain offices created within certain departments, and an assistant director, or (4) an office of the U.S. government that is appointed by the President.

The act limits this definition to only the laws in which it is used. These laws prohibit the following officers from also holding another office of trust or profit: a member of the State Personnel Board of Review; an elected or appointed voting member of the State Board of Education; a member of the Industrial Commission, except the public member's tenure as chairperson of the Self-insuring Employer's Evaluation Board; a member of the Unemployment Compensation Review Commission; a member of the Liquor Control Commission; or a Public Utilities Commissioner.

Ohio Constitutional Modernization Commission

(R.C. 103.63)

The act requires the 12 General Assembly members appointed to the Ohio Constitutional Modernization Commission to meet, organize, and elect co-chairpersons, and then to re-create the Commission by appointing the rest of the members, not later than January 10 of every even-numbered year. Prior law required the 12 General Assembly members to do this not later than January 1 of every even-numbered year.

The act also specifies that a member of the Commission continues in office beyond the expiration of the member's term until the member's successor is appointed. Prior law did not allow this. Member terms end on January 1 of even-numbered years.

Veterans memorial and museum

(R.C. 307.6910)

The act requires a new nonprofit corporation to be organized under Ohio law to operate a veterans memorial and museum that is to be constructed at a site in Columbus that is designated in the act and owned in fee simple by the Franklin County Board of County Commissioners. The Franklin County Board of County Commissioners is authorized to lease the site and any adjacent property, without competitive bidding, to an Ohio nonprofit corporation for the construction, development, and operation of the veterans memorial and museum. A board of county commissioners is authorized to appropriate funds for permanent improvements and operating expenses of the veterans memorial and museum to the new nonprofit corporation that is to be established under the act or to the nonprofit corporation to which the county has leased the property.

The bylaws of the new nonprofit corporation must provide for a 15-member board of directors. Appointments to the board must be made under the articles of incorporation and the bylaws, and must satisfy any qualifications stated in the bylaws. The Franklin County Board of County Commissioners is required to appoint five members. The remaining members, not to exceed ten, must be appointed as provided in the articles of incorporation. A majority of the members appointed by each appointing authority must be veterans of the U.S. armed forces.

All meetings and records of the new nonprofit corporation must be conducted and maintained under the Open Meetings Act and the Public Records Act, which means the meetings and records have to be open to the public.

Federal-Military Jobs Commission

(R.C. 193.01, 193.03, 193.05, 193.07, and 193.09)

In a new chapter of law, the act creates the Federal-Military Jobs Commission (FMJC) to develop and maintain an ongoing strategy for retention and growth of federal-military agencies and missions and associated private sector jobs in Ohio.

State policy

As stated by the act, the General Assembly finds that the presence and stability of federal-military installations within the state, and the associated private industry and higher education collaborations that occur, preserve existing jobs, create new jobs and employment opportunities, and improve the economic welfare of Ohioans. The act also states that the installations materially contribute to regional economic stability in the area of their locations.

The act declares that, given the General Assembly's findings, it is the public policy of the state to assist in and facilitate public or private partnerships that would aid in the retention and growth in the active federal and military missions and agencies located in Ohio.

FMJC duties

The FMJC is responsible for the "furtherance and implementation" of federal-military installation jobs and any programs under this new chapter of law. The FMJC is specifically required to do all of the following:

(1) Develop and recommend strategies that support and foster collaboration among local and regional entities to identify appropriate opportunities for the protection of existing federal-military facilities and the placement of additional federal-military facilities in Ohio;

(2) For facilities located in the state, maintain a current listing of all facilities of the federal government, including military, national security, and national aeronautics and space administration facilities, Ohio national guard facilities, and related state and federal facilities, including their master plans;

(3) Make recommendations, as appropriate, to prepare the state to effectively compete in future and ongoing federal budget reduction processes;

(4) For the purpose of formulating strategies to secure the long-term viability, retention, and growth of military missions and facilities in the state, direct and review studies by experts that have utilized past base realignment and closure criteria and

scoring to conduct a thorough and detailed analysis of the military value of the state's military installations, ranges, and airspace;

(5) Review the scoring criteria from any previous federal defense base closure and realignment commission's processes to determine (a) the strengths and weaknesses of the state relative to competing installations and facilities, which shall include an analysis of military value 1-4 attributes, metrics and criteria such as airspace attributes, encroachment, air traffic control restrictions, area cost factors, and area weather and (b) the opportunities for increasing the military value of federal-military operations in the state that still exist after a previous federal defense base closure and realignment commission process.

(6) Provide an ongoing examination of federal agency construction, including construction for the military, for homeland security, and for the national aeronautics and space administration, and related operations budget requests relative to the infrastructure plans of federal-military agencies and facilities;

(7) Access and review long-range military construction plans, associated costs, and timelines as made available by federal government agencies;

(8) Recommend a public-private partnership for services specified by the FMJC that include energy services, Internet connectivity, snow removal, fire service, waste management, library services, day-care center services, security services, and services opportunities to lower the cost of operations at federal-military installations in the state;

(9) Examine the roles and responsibilities of general aviation at airports located in the state and develop and recommend local and federal programs to assist the state's installations and facilities related to municipal airport agreements and the federal airport improvement program;

(10) Review and develop joint base and infrastructure plans for improving proximity to training areas, consolidating training centers, and determining alternatives that may exist in current federal-military construction programs for shared services and shared savings opportunities;

(11) Evaluate plans for federal agencies and local communities that address excess capacity of buildings, developed land, and land available for development;

(12) Evaluate enhanced use lease opportunities made available to federal-military entities in Ohio;

(13) Recommend to the General Assembly future programs that may enhance the state's ability to compete for the retention and creation of job opportunities related to federal-military facilities and infrastructure in the state;

(14) In consultation with other state agencies, develop programs that utilize federal and higher education research initiatives to commercialize and privatize products to private sector companies in the state;

(15) Develop programs that create a statewide response to the federal initiatives that make contracts available to small businesses and veteran-owned Ohio businesses;

(16) Develop programs and initiatives to promote career awareness and readiness for, and job placement with, federal-military jobs and other private sector employer jobs in the state.

The FMJC is to adopt internal rules and policies to implement the provisions of this chapter of law.

FMJC membership and organization

The FMJC consists of nine members, who must be appointed by October 1, 2014. Three members are to be appointed by the President of the Senate, three members are to be appointed by the Speaker of the House of Representatives, and three members are to be appointed by the Governor. Members are to serve one-year terms.

None of the members may be elected officials of this state. Qualification for appointment may include any of the following service or employment experience:

--Former service as a military officer;

--Civilian service in an executive leadership position in a federal-military agency;

--Experience as an executive in a related business or industry;

--Employment in academia or higher education;

--Experience in commercialization and privatization of research and technology.

Members serve at the pleasure of their appointing authority and may be removed for just cause. Members may also be reappointed and vacancies are to be filled in the same manner as the original appointments. Members are to serve without compensation but are to be reimbursed for actual and necessary expenses incurred in the performance of FMJC duties.

The first person appointed by the President is to schedule the first meeting of the FMJC. At that meeting the members must select a chairperson from among its membership. The FMJC is to meet at least once each quarter at the call of the chairperson or upon the request of a majority of the members. A majority of the members constitutes a quorum, and no action can be taken without the concurrence of a majority of the members.

The FMJC is to administer any money appropriated to it by the General Assembly. It may employ professional, technical, and clerical employees as are necessary for it to be able to successfully and efficiently perform its duties. All such employees are in the unclassified service and serve at the FMJC's pleasure. The FMJC may contract for the services of persons who are qualified by education and experience to advise, consult with, or otherwise assist it in the performance of its duties. State agencies are required to cooperate with and provide assistance to the FMJC and to the Controlling Board.[54] Office space and facilities, as well as other administrative assistance, is to be provided by the Adjutant General. The Attorney General is required to serve as legal representative for the FMJC and may appoint special counsel as necessary to provide that service pursuant to ongoing law.

Federal-Military Jobs Fund

The act creates the Federal-Military Jobs Fund in the state treasury. The Fund consists of moneys appropriated to it by the General Assembly. All expenses incurred by the FMJC must be payable solely from, as appropriate, moneys in the Fund. The FMJC is not authorized to incur bonded indebtedness of the state or any political subdivision of the state, or to obligate or pledge moneys raised by taxation for the payment of any guarantees made.

Report

The act requires the FMJC to submit a report, by April 1, 2015, to the Governor, the President of the Senate, the Speaker of the House, and each Minority Leader of the Senate and House. The report must outline the FMJC's activities for the preceding year, including its findings and evaluations as required by the act.

[54] The act does not provide for the Controlling Board to conduct any functions under the new chapter.

Appropriations of property under Eminent Domain

(R.C. 163.15, 163.53, 163.54, and 163.55)

General appropriation law

The act provides in the general property appropriation law that whenever the appropriation of real property by a public or private agency requires the owner, a commercial tenant, or a residential tenant identified by the owner in a notice filed with the court to move or relocate, among the payments the appropriating agency must make to the person is a payment not exceeding $25,000 for actual and reasonable expenses necessary to reestablish a farm, nonprofit organization, or small business at its new site. The prior maximum for this payment was $10,000.

Appropriation law, displaced persons

The displaced persons provisions of the appropriations law are additional provisions that apply when the displacing agency that is appropriating property is carrying out a program or project with federal assistance, or carrying out any state highway project that causes a person to be a displaced person. A displaced person is a person who moves from real property, or moves the person's personal property from real property, as a direct result of a written notice from the agency to acquire the real property.

The act provides that whenever the acquisition of real property for a program or project undertaken by a displacing agency will result in the displacement of any person, among the payments the head of the agency must make to any displaced person is a payment not exceeding $25,000 for actual and reasonable expenses necessary to reestablish a displaced farm, nonprofit organization, or small business at its new site. The prior maximum for this payment was $10,000.

The act provides that as an alternative to the above $25,000 payment and other specified payments, any displaced person who is eligible for those payments and is displaced from the person's place of business or from the person's farm operation may qualify for a fixed payment of not less than $1,000 but not more than $40,000 in lieu of those specified payments. The prior range for such a payment was $1,000 to $20,000. A person whose sole business at the displacement dwelling is the rental of such property to others did not qualify for this payment under prior law, and still does not qualify under the act.

The act also provides that the head of the displacing agency is required to make an additional payment not exceeding $31,000 to any displaced person who is displaced from a dwelling the displaced person actually owns and occupies for not less than 90

days prior to the initiation of negotiations for the acquisition of the property. Prior law provided that this additional payment could not exceed $22,500 and prescribed a minimum ownership and occupancy period of 180 days. One element of this additional payment is the amount, if any, that will compensate the displaced person for any increased interest costs and other debt service costs that the person is required to pay for financing the acquisition of a comparable replacement dwelling. Under the act, this amount may be paid only if the dwelling acquired by the displacing agency was encumbered by a bona fide mortgage that was a valid lien on the dwelling for not less than 90 days prior to the initiation of negotiations for the acquisition of the dwelling. Prior law prescribed an encumbrance period of not less than 180 days prior to the initiation of negotiations for the acquisition of the dwelling.

Under the act, a new element of the additional payment to a displaced person is a rental assistance payment for such a person who is eligible for a replacement housing payment but who elects to rent a replacement dwelling. The amount of the rental assistance payment is based on a determination of market rent for the acquired dwelling compared to a comparable rental dwelling available on the market in the general area of the acquired dwelling. The difference, if any, must be computed in accordance with the provisions of continuing law governing another additional payment to a person who is displaced from a dwelling, except the limit of $7,200 in those provisions do not apply. Under no circumstances may the rental assistance payment exceed one of specified elements of the additional payment. This specified element is the amount, if any, that when added to the acquisition cost of the dwelling acquired by the displacing agency, equals the replacement cost of a comparable dwelling. A displaced person who is eligible to receive a replacement housing payment is not eligible for a down payment assistance payment described in continuing law.

Under prior law, certain displaced persons who occupied a dwelling (but did not own the dwelling) were not eligible for the prior maximum $22,500 payment described above (which maximum the act increases to $31,000), but were eligible for a different payment. This payment consisted of an amount necessary to enable the displaced person to lease or rent a comparable replacement dwelling for a period not exceeding 42 months. The act provides that the amount of this payment cannot exceed $7,200. The prior maximum amount for this payment was $5,250.

The act eliminates language that contained a limitation on the amount of such a payment that was paid to a displaced home owner who had owned and occupied the displacement dwelling for at least 90 days but not more than 180 days immediately prior to the initiation of negotiations for the acquisition of that dwelling.

State Penal Museum

(R.C. 5.077)

The act designates the museum located on the grounds of the Ohio State Reformatory, which is operated by the Mansfield Reformatory Preservation Society, as the official State Penal Museum.

Limitations period for actions against registered surveyors

(R.C. 2305.09)

The act establishes four years from the completion of the engagement on which the cause of action is based as the period within which a professional negligence action against a registered surveyor must be commenced. Under prior law, a professional negligence action against a registered surveyor had to be commenced within four years after the cause of action accrued.

Shock probation

(R.C. 2929.201)

The act provides that notwithstanding the time limitation for filing a motion for shock probation under the former shock probation law, which was repealed July 1, 1996, an offender whose offense was committed before that date and who otherwise satisfies the eligibility criteria for shock probation under that former law as it existed immediately prior to July 1, 1996, may apply to the offender's sentencing court for shock probation under that former law on or after September 15, 2014. The act permits the offender to file not more than one motion. The act specifies that the former shock probation law provision dealing with the appropriate judge to dispose of a motion does not apply to a motion filed under the act.

The former shock probation law permitted certain offenders to be granted probation at an earlier point in their incarnation than would otherwise have been authorized.[55]

Criminal Justice Recodification Committee

(Sections 729.10 and 729.11)

The act creates a 21-member Criminal Justice Recodification Committee consisting of two senators appointed by the Senate President; two representatives

[55] Former R.C. 2947.061 (repealed July 1, 1996).

appointed by the House Speaker; the Director of Rehabilitation and Correction or the Director's designee; the Director of Youth Services or the Director's designee; three judges, not more than two of whom belong to the same political party, jointly appointed by the President and the Speaker after consulting with the Chief Justice; and the following 12 members, not more than seven from the same political party, jointly appointed by the President and the Speaker after consulting with the appropriate state associations, if any, represented by these members: one sheriff; one municipal or township peace officer; three prosecutors; three criminal defense attorneys; one member of the Ohio State Bar Association; one representative of community corrections programs; one representative of community addiction services providers or community mental health services providers; and one representative of a juvenile justice organization. The President and Speaker must consider adequate representation by race and gender when making their appointments.

The Committee will study Ohio's criminal statutes, with the goal of enhancing public safety and the administration of criminal justice by eliminating duplication in those statutes, aligning the statutes with the purpose of defining a culpable mental state for all crimes, removing or revising crimes for which no culpable mental state is provided, and taking other appropriate measures. By January 1, 2016, the Committee must recommend to the General Assembly a comprehensive plan for revising Ohio's Criminal Code. Upon submitting its recommendations, the Committee will cease to exist.

All appointed members must be appointed within 30 days after September 15, 2014. Each member who is an elected official and whose term of office expires before January 1, 2016, serves until the expiration date. Any vacancy on is filled in the same manner as the original appointment.

The Committee must hold its organizational meeting within 60 days after September 15, 2014. Thereafter, it meets as necessary at the call of the Chairperson or on the written request of at least seven members. Eleven members of the Committee constitute a quorum, and the votes of a majority of the quorum present are required to validate any action of the Committee. All of the Committee's business must be conducted in public meetings.

The members serve without compensation but are reimbursed for actual and necessary expenses incurred in the performance of their duties.

The Committee has the same powers as General Assembly committees. The Committee may consult with and seek research and technical support from any individual, organization, association, college, or university. All state and local

government agencies and entities must cooperate with the Committee in the performance of its duties.

Lawrence County's use of former juvenile correctional facility

(R.C. 341.12 and 341.121)

In 2011, the former Ohio River Valley Juvenile Correctional Facility in Franklin Furnace, Scioto County, that formerly was operated by the Department of Youth Services, was closed. The act authorizes the Lawrence County Board of County Commissioners and the Director of Administrative Services to enter into an agreement pursuant to which the Lawrence County sheriff may use a specified portion of the Facility (the Facility is referred to in the act as the Ohio River Valley Facility) as a jail for Lawrence County. The agreement may not provide for transfer of ownership of any portion of the Facility to Lawrence County. If the board and the Department enter into such an agreement, on and after the effective date of the agreement, all of the following apply:

(1) The Lawrence County sheriff may use the specified portion of the Ohio River Valley Facility for the confinement of persons charged with a violation of a law or municipal ordinance, sentenced or ordered to confinement for such a violation in a jail, or in custody upon civil process, if the violation occurred or the person was taken into custody under the civil process within Lawrence County or within another county that has entered into an agreement with the sheriff as described in (5), below for the confinement of such persons (the act specifies that the Lawrence County sheriff may convey prisoners to the Facility under this provision, instead of conveying them to a jail in another county under a preexisting provision, if the Lawrence County jail does not have sufficient space or staff based upon the Minimum Standards for Jails in Ohio, which are promulgated by the Director of Rehabilitation and Correction under R.C. 5120.10, not in the act);

(2) Any use of the specified portion of the Ohio River Valley Facility for the confinement of a juvenile who is alleged to be or is adjudicated a delinquent child or juvenile traffic offender must be in accordance with R.C. Chapter 2152. (the Delinquent Child and Juvenile Traffic Offender Law);

(3) If the Lawrence County sheriff uses the specified portion of the Ohio River Valley Facility for one or more of the purposes listed in (1), above, and in (5), below, all of the following apply during that use of that portion of the Facility and during the period covered by the agreement between the Board of County Commissioners and the Director of Administrative Services:

- The sheriff has charge of the specified portion of the Facility pursuant to that agreement and all persons confined in it, and must keep those persons safely, attend to that portion of the Facility, and regulate that portion of the Facility according to the Minimum Standards for Jails in Ohio;

- The sheriff has all responsibilities and duties regarding the operation and management of the specified portion of the Facility, including, but not limited to, safe and secure operation of and staffing for the jail Facility, food services, medical services, and other programs, services, and treatment of persons confined in it, and conveyance to and from that portion of the Facility of persons who are to be or who have been confined in it, in the same manner as if that Facility was a Lawrence County jail;

- The sheriff may enter into one or more shared service agreements with any other entity leasing buildings at the Facility regarding any responsibility and duty described above or regarding any other service related to the operation of the Facility.

- All provisions of R.C. Chapter 341. (the law that governs county jails), except for R.C. 341.13 to 341.18, apply with respect to the specified portion of the Facility and to the sheriff in the same manner as if that portion of the Facility was a Lawrence County jail, and R.C. 341.13 to 341.18 apply with respect to that portion of the Facility and the sheriff if that portion of the Facility is used for confinement of persons from a county other than Lawrence County pursuant to an agreement as described in (5), below (R.C. 341.12 requires a sheriff whose county does not have a sufficient jail or staff to convey prisoners from the sheriff's county to a jail in another county, including a contiguous county in an adjoining state, that the sheriff considers most convenient and secure, and R.C. 341.13 to 341.18 set forth rules and procedures that govern a conveyance under R.C. 341.12);

- Lawrence County has all responsibility for the costs of operation of the specified portion of the Facility, and for all potential liability related to the use or operation of that portion of the Facility and damages to it, in the same manner as if that Facility was a Lawrence County jail;

- The sheriff has all responsibility for investigating crimes and quelling disturbances that occur in the specified portion of the Facility, and for assisting in the prosecution of such crimes, and the Lawrence County prosecuting attorney and prosecutors of municipal corporations located in

Lawrence County have responsibility for prosecution of such crimes, in the same manner as if that Facility was a Lawrence County jail;

- The sheriff's use of the specified portion of the Facility must be in accordance with the terms of the agreement, to the extent that the terms are not in conflict with (1), (2), and (3).

(4) If the Lawrence County sheriff uses the specified portion of the Ohio River Valley Facility for one or more of the purposes listed in (1), above, and (5), below, and subsequently ceases to use that Facility for those purposes, the sheriff must vacate the Facility and control of the specified portion of the Facility immediately reverts to the state.

(5) If a county other than Lawrence County does not have sufficient jail space or staff based upon the Minimum Standards for Jails in Ohio and has entered into an agreement to jail persons with the Lawrence County sheriff, instead of conveying a prisoner to a jail in another county pursuant to a preexisting provision of law, the sheriff of the other county may convey the person to the Ohio River Valley Facility in accordance with the provisions described above in (1) to (4).

Wording on signs bearing the International Symbol of Access

(R.C. 9.54)

The act requires any person who erects or replaces a sign that contains the International Symbol of Access to use forms of the word "accessible" rather than any form of the words "handicapped" or "disabled" whenever words are included on the sign.

Transfer of public property to or by community improvement corporations

(R.C. 1724.10)

The act expressly allows a political subdivision to transfer to a community improvement corporation, and a community improvement corporation to sell or lease, any type of real property owned by the subdivision. Under ongoing law, a subdivision may transfer "land and interests in land" to a community improvement corporation that the subdivision has designated as its agent for economic development or property reclamation purposes. Similarly, the corporation may sell or lease land or interests in land owned by the subdivision. The act expands this authority to expressly include the conveyance, sale, or lease of all types of real property, including buildings, structures, and other types of improvements to land.

Continuing law authorizes the creation of community improvement corporations, which are nonprofit corporations organized to promote economic development within a given area. There are two types of community improvement corporations: (1) economic development corporations, which are organized to promote general economic and civic development, and (2) county land reutilization corporations (commonly referred to as "land banks"), which are formed specifically to assist in reclaiming, rehabilitating, and managing vacant, abandoned, and tax-foreclosed properties.

EFFECTIVE DATES

(Section 812.20 to 812.50)

The act provides that specified provisions are not subject to the referendum and go into immediate effect. Certain other provisions, although subject to the referendum, take effect on various dates that are after September 15, 2014 (the date the act takes effect).

HISTORY

ACTION	DATE
Introduced	03-18-14
Reported, H. Finance and Appropriations	04-09-14
Passed House (57-35)	04-09-14
Reported, S. Finance	05-20-14
Passed Senate (24-8)	05-21-14
House refused to concur in Senate amendments (1-96)	05-28-14
Senate requested conference committee	05-28-14
House acceded to request for conference committee	05-28-14
House agreed to conference committee report (61-33)	06-04-14
Senate agreed to conference committee report (23-9)	06-04-14
Senate motion to reconsider the vote on the conference committee report (31-0)	06-04-14
Senate agreed to conference committee report on reconsideration (24-7)	06-04-14

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