CORRECTED VERSION*

Ohio Legislative Service Commission

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Am. Sub. H.B. 483

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(As Passed by the Senate)

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

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

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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 Miscellaneous categories. The Miscellaneous category includes, among other things, items that affect multiple agencies.

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.

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DEPARTMENT OF ADMINISTRATIVE SERVICES

Official public notice website

- Renames the state public notice website the official public notice website, and places the 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 of the Department of Administrative Services, which established and currently operates the website.

- 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.

Other provisions

- Increases 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.

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

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

Official public notice website

(R.C. 125.182)

The bill 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) within the Department of Administrative Services (DAS) or its contractor, to operate and maintain the official public notice website. Currently, the website contains notices and advertisements posted by those state agencies and political subdivisions that are authorized by law to follow the abbreviated form[1] of publishing them, in order to

[1] R.C. 7.16.

eliminate additional newspaper publications required by law. The state public notice website was created by H.B. 153 of the 129th General Assembly and is currently operated by OIT.

Under the bill, not later than 180 days after the amendment's effective date, 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. It is not apparent how this requirement affects the ability of a state agency or political subdivision to choose to use the abbreviated form of publishing notices or advertisements under R.C. 7.16 because the bill requires all notices and advertisements to be posted by the publisher on the official public notice website, whereas R.C. 7.16 requires only the second, abbreviated notice to be posted on the website. The bill's changes seem to make portions of R.C. 7.16 obsolete.

The bill 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 current law, the operator cannot charge a fee to a person who accesses, searches, or otherwise uses the website.

The bill eliminates the requirement that the operator of the website bear the expense of maintaining the website domain name. The bill 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.

The bill 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 transfer more often than once every business day.

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

The bill 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 bill, 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 bill 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 bill specifies that it is the newspaper publisher who must post them on the newspaper's Internet website, if the newspaper has one. The bill 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.

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

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

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 public notice website. The bill 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 bill 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 bill increases 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 current law, an appointing authority must reinstate the person within 30 days after the person submits 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 bill 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 current 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 bill 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 current 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), existing law provides a process to be followed by any person that has performed work or furnished materials but has not been paid after completion of the contract by the principal contractor or design-build firm. The bill modifies the definition of "principal contractor" for purposes of this law by removing construction managers from the definition.

- 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 currently 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; and

  --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.

Amusement ride inspection fees

(R.C. 1711.50 and 1711.53)

The bill 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 bill 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 currently 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;

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

The bill 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.

Other provisions

- Establishes 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.

- 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.

Consumer Sales Practices Act – investigatory power of Attorney General

(R.C. 1345.06)

The bill 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 current 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 current law. The bill 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, as in current 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 current law.

Payment for HIV post-exposure prophylaxis for victims of sex offenses

(R.C. 2743.191 and 2907.28)

The bill 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 bill 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 bill 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 bill requires the request also to include the number of examinations in which HIV post-exposure prophylaxis was provided.

Under the bill, 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 bill establishes 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. 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. Current 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 bill 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.

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 OBM Director 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.

Shared services

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

Under the bill, the Director of Budget and Management is authorized to operate a shared services center within the Office of Budget and Management (OBM) 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.[4] The Director may also establish and administer payment card programs, similar to those currently 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 bill 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.

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

[4] With respect to the bill'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). (R.C. 9.482(A) and 126.21(F).)

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

Ohio Casino Control commissioner salary

(R.C. 3772.02)

The bill entitles each member of the Ohio Casino Control Commission to receive compensation of $30,000 per year, payable in monthly installments. Under current law, each member must receive 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 achieve a gambling disorder endorsement on the counselor's license to enable the counselor to address gambling addiction 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 bill generally enables a chemical dependency counselor to achieve a gambling disorder endorsement on the counselor's license to enable the counselor to address gambling addiction 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 bill defines "gambling disorder" as a persistent and recurring maladaptive gambling behavior that is classified in accepted nosologies.

Rules

The bill 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) The 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 bill 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 bill, 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. Under ongoing law amended in part by the bill to allow for 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 bill requires the Board to issue an endorsement to an individual who meets certain requirements as follows:

(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; and

(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 bill 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 this provision 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 bill 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 any other state of any crime that is a felony in Ohio;

(5) Conviction in Ohio or 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 bill 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.

Authority to diagnose and treat

Based on the individual's license, the bill 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 required 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.

Updates to Chemical Dependency Professionals Law

The bill 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 requires a hospital to allow the individual to admit a patient.

Supervising providers

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

The bill 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; and

(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.

- Removes the requirement that a mortgage loan originator license applicant or a loan originator license applicant do the following:

  --Answer at least 75% of questions relating to state mortgage lending laws and the Ohio Consumer Sales Practices Act correctly in order to pass the test;

  --Pass a written test acceptable to the Superintendent before the NMLS has a testing process in place.

NMLS reports

- Permits the Superintendent to accept call reports and other reports of condition submitted to the NMLS in lieu of the annual report currently required under 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 submitted to the Superintendent.

Escrow and monthly payment disclosure form

- Removes the requirement that mortgage brokers and loan originators deliver a disclosure form to a buyer that describes any property tax escrow and monthly payments of a loan.

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 existing 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 current law provisions requiring certificates 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 bill makes changes to these testing requirements.

Continuing law 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. Current law directs the Superintendent of Financial Institutions, if such an NMLS test is not in place, to require an applicant to pass a written test acceptable to the Superintendent. The bill removes this provision. Also, under current law, an applicant is considered to have passed the NMLS test if the applicant correctly answers 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 bill removes (2) above, meaning an applicant is considered to pass the test if the applicant correctly answers 75% of all questions.

The bill requires that each person designated to act as operations manager for a mortgage broker business 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. Current law requires 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 current law, these registrants and licensees must also file with the Division of Financial Institutions an annual report concerning their business and operation for the preceding calendar year. The bill allows the Superintendent to accept the NMLS-submitted reports in lieu of submitting the annual report to the Superintendent.

Continuing law requires a yearly analysis of registrant and licensee information to be published by the Division. The bill requires the Superintendent to annually publish an analysis including the information gathered from both the NMLS reports and the annual report to the Superintendent. Current law requires the Division to annually publish an analysis of the information gathered from the annual report to the Superintendent. Additionally, the bill 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 (repealed) and 1322.11)

The bill removes current law's requirement that a registered mortgage broker or licensed loan originator deliver to a buyer, not earlier than three business days nor later than 24 hours before a loan is closed, 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. Also, the bill eliminates the actions that may be taken against a registrant or licensee for failure to deliver such form.

Underground Storage Tank Revolving Loan Fund

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

The bill creates the Underground Storage Tank Revolving Loan ("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 existing law. The Revolving Loan Fund is to consist of the following:

(1) Amounts repaid for the loans; and

(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*** such moneys are transferred from the existing Underground Storage Tank Administration ("Administration") Fund to the Revolving Loan Fund as provided in the bill.

Transfers from the Administration Fund to the Revolving Loan Fund

The bill authorizes the Director of Commerce, if the Director determines that the cash balance in the Administration Fund is in excess of the amount needed for implementation and enforcement of the existing 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 bill removes the current law 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 bill removes the authority of the Superintendent to issue these certificates of registration. "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)

Current 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 bill allows certain A-1-A permit holders to sell growlers of beer from the permit premises provided that certain criteria are met. Under the bill, 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 accordance with current 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.

- Limits the Controlling Board's authority to approve the expenditure of certain federal and nonfederal funds that (1) are received in excess of the amount appropriated for a specific purpose or (2) are not anticipated in the current biennial appropriations act.

- Requires a state agency, as part of a request to approve the making of a purchase, to provide to the Controlling Board certain information about a proposed supplier, or proposed subcontractor of that supplier, that is not headquartered in Ohio, but has a presence in the state.

- Requires a state agency to contact each entity headquartered in Ohio that the agency approached to fulfill a purchase or to whom the agency sent a request for proposals but who failed to respond, to determine why the entity failed to respond, and requires the agency to report that information to the Controlling Board.

Controlling Board authority to approve the expenditure of certain funds

(R.C. 131.35)

The bill imposes a limitation on the Controlling Board's authority to approve the expenditure of certain, additional federal and nonfederal funds.

Federal funds

The federal funds to which the bill applies are those received into any state fund from which transfers may be made by the Controlling Board under continuing law.[5] Currently:

(1) If the federal funds received are greater than the amount of such funds appropriated by the General Assembly for a specific purpose, the Board may authorize the expenditure of those excess funds.

(2) If the federal funds received are not anticipated in an appropriations act for the biennium in which the new revenues are received, the Board may create funds for those revenues and authorize expenditures from those additional funds during that biennium.

[5] R.C. 127.14(D), not in the bill.

The bill stipulates that the amount of any expenditure or of an increase in an appropriation authorized by the Board under (1) or (2), above, for a specific or related purpose or item in any fiscal year cannot exceed an amount greater than 1% of the General Revenue Fund (GRF) appropriations for that fiscal year.

Nonfederal funds

The nonfederal funds to which the bill applies are those received into any state fund from which transfers may be made by the Controlling Board,[6] as well as the Waterways Safety Fund and the Wildlife Fund.

Currently:

(1) If the nonfederal funds received are greater than the amount of such funds appropriated, the Board may authorize the expenditure of those excess funds.

(2) If the nonfederal funds received are not anticipated in an appropriations act for the biennium in which the new revenues are received, the Board may create funds to receive those revenues and authorize expenditures from those additional funds during that biennium.

The bill stipulates that the amount of any expenditure or of an increase in an appropriation authorized by the Board under (1) or (2), above, for a specific or related purpose or item in any fiscal year cannot exceed an amount greater than 1% of the GRF appropriations for that fiscal year.

Information regarding purchases from out-of-state suppliers

(R.C. 127.163 and 127.164)

The bill requires a state agency[7] to provide certain information about a potential supplier to the Controlling Board at the time the agency submits a request to the Board to approve the making of a purchase, if the proposed supplier is not headquartered in Ohio but has a presence in the state. The state agency must include in such a request the following information:

--The address or addresses of the supplier's places of business in Ohio;

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[6] R.C. 127.14(D), not in the bill.

[7] For purposes of these provisions, "state agency" means every organized body, office, or agency established by the laws of the state for the exercise of any function of state government, excluding the nonprofit corporation commonly known as JobsOhio. R.C. 1.60, not in the bill.

--The total number of employees the supplier employs in each of its places of business in Ohio;

--The percentage of the requested purchase to be completed by employees of the supplier located in Ohio;

--A list of any suppliers, subcontractors, or other entities the supplier intends to use to fulfill the requested purchase that includes the address or addresses of the places of business in Ohio of each potential supplier, subcontractor, or entity; the number of employees that each potential supplier, subcontractor, or entity employs in each of its places of business in Ohio; and the percentage of the requested purchase to be completed by employees of the potential supplier, subcontractor, or entity located in Ohio.

Additionally, the bill requires a state agency, prior to submitting to the Controlling Board a request for approval to make a purchase, to contact any entity headquartered in Ohio that the agency approached related to the proposed purchase or to whom the agency sent a request for proposals, but who did not respond to the request, and ascertain why the entity did not respond. The state agency must then include this information as part of its request to the Board to approve the making of the purchase.

- 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 bill modifies the current 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. Existing law requires (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 bill eliminates both of these requirements. Additionally, the bill 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 bill 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 ODODD 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 individual's eligibility.

- Requires that the ODODD 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 ODODD Director, rather than the county 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 existing 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 current law provides 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 Medicaid waiver programs administered by ODODD 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 number of ICF/IID beds in the state.

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 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 one or more employees.

- 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 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 of current law specifying that "adult day habilitation services," which are part of adult services, include counseling and assistance to find 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 of developmental disabilities.

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. Current law defines "developmental disability" as a severe, chronic disability that is characterized by all of the following:

(1) It 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) It is manifested before age 22.

(3) It is likely to continue indefinitely.

(4) It results in one of the following:

(a) In the case of a person under three years of age, at least one developmental delay or an established risk;

(b) In the case of a person at least three years of age but under six years of age, at least two developmental delays or an established risk;

(c) In the case of a person six years of age or older, a substantial functional limitation in at least three of the following areas of major life activity, as appropriate for the person's age: self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, and, if the person is at least 16 years of age, capacity for economic self-sufficiency.

(5) It 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.

Whereas current law provides that, in the case of a person under age three, the disability results in at least one developmental delay or an established risk, the bill 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 bill provides that the disability results in at least two developmental delays rather than, as under current 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 bill 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 current law requires the ODODD Director to adopt rules defining "substantial functional limitation," the bill 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 bill 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 bill also eliminates current law that permits 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 bill therefore eliminates a requirement for the ODODD Director to adopt rules defining "biological risk" and "environmental risk."

Current law requires that rules the ODODD Director adopts regarding programs and services offered by county DD boards include standards for determining eligibility for service and support administration. The bill broadens this by requiring that the rules establish standards and procedures for making eligibility determinations for all programs and services county DD boards offer.

Certification and registration of county 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 board to operate programs and services for individuals with mental retardation or developmental disabilities. No person may be employed in a position for which certification or registration is required without the certification or registration. Nor may a person be employed or continue to be so employed if the required certification or registration is denied, revoked, or not renewed. The certification and registration requirements do not apply to (1) persons who hold a valid license or certificate issued under state law regarding superintendents, teachers, and other school employees and perform no duties other than teaching or supervising a

teaching program or (2) persons who hold a valid license or certificate issued under state law governing occupational licensure and perform only those duties governed by the license or certificate.

Under current law, the superintendent of each county board is responsible for taking all actions regarding the certifications and registrations, other than the certifications and registrations of superintendents and investigative agents.[8] The ODODD Director is responsible for the certification and registration actions for superintendents and investigative agents. The bill makes the ODODD Director also responsible for the certification or registration of early intervention supervisors and early intervention specialists.

Supported living providers

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 supported living certificate, or revoking the provider's supported living 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.[9]

The prohibition also applies to a related party of a provider. Who is a related party depends on whether a provider is an individual, legal person other than an individual (i.e., a corporation, partnership, association, trust, or estate),[10] or government entity. The bill revises the definition of "related party."

In the case of a provider who is an individual, the bill provides that an employee or employer of the provider or provider's spouse is no longer a related party unless the employee or employer is a related party for another reason.

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[8] A county 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.

[9] R.C. 5123.167, not in the bill.

[10] R.C. 1.59(C), not in the bill.

In the case of a provider that is a legal person other than an individual:

(1) An employee of the provider is no longer a related party unless the employee is a related party for another reason.

(2) Current law provides that a person or government entity that has control over the provider's day-to-day operations is a related party. The bill provides that this includes a general manager, business manager, financial manager, administrator, and director and 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.

(3) Current law provides that a person owning a financial interest of 5% or more in the provider is a related party. The bill provides that this includes a direct, indirect, security, and mortgage financial interest.

(4) The bill 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.

In the case of a provider that is a government entity, current law provides that a government entity that has control over the provider's day-to-day operation is a related party. Under the bill, 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 and that this is the 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 current law, a business is (1) an association, corporation, nonprofit organization, partnership, trust, or other group or persons or (2) an individual who employs, directly or through contract, one or more other individuals to provide supported living. An individual who

employs one or more other individuals to provide supported living is no longer a business under the bill.

Surveys of supported living providers and residential facilities

(R.C. 5123.162 and 5123.19)

Background and overview

Under existing law, the ODODD Director is permitted to conduct surveys of persons and government entities that seek to be supported living providers. For the purpose of determining whether providers continue to meet certification standards, ODODD may also conduct surveys of existing providers. The surveys must be conducted in accordance with rules adopted by the ODODD Director.[11] Those rules refer to surveys as "compliance reviews," and specify that there are three types: routine, special, and abbreviated. In general, routine compliance reviews are conducted annually. Special compliance reviews are conducted as necessary: (1) when there is a circumstance pertaining to the health, safety, or welfare of an individual, (2) based on a complaint or allegation, or (3) based on a major unusual incident that may indicate the provider's failure to comply with requirements. Abbreviated compliance reviews are conducted when ODODD has accepted a provider's accreditation by a national accrediting entity as demonstration that the provider is meeting requirements. The rules specify post-compliance review procedures, and include a requirement that a county board of developmental disabilities or ODODD provide a written compliance review summary to the provider not later than seven days after the compliance review's conclusion.[12]

Regarding residential facilities, the ODODD Director is required by statute to conduct a survey of a facility prior to issuing a license and at least once during the licensure period. Additional inspections are permitted on an "as needed" basis. 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 specify additional procedures for residential facility surveys, as well as post-survey procedures.[13] 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

[11] R.C. 5123.1610, not in the bill.

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

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

who requests it in accordance with statutes and regulations regarding individual confidentiality.[14]

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

Survey reports

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

The bill 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 must also do both of the following:

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

--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 bill 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 bill 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 ODODD Director initiates a proceeding to revoke the provider's certification, a copy of the survey report

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

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 bill clarifies that survey reports and records associated with them are public records under Ohio's public records law[15] and must be made available on the request of any person or government entity. Current law specifies that records of surveys are public records, but it is not clear whether such records include survey reports.[16]

Conforming changes

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

The bill eliminates references to a "designee" of the ODODD Director in sections of the Revised Code that require or authorize the Director to take certain actions. This change does not appear to have a substantive effect since the ODODD Director's authority to delegate duties to ODODD staff is implied in current law. The bill 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 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))

Current law provides that the Medicaid payment rate for an intermediate care facility for individuals with intellectual disabilities (ICF/IID) depends in part on whether it has more than eight beds or not more than eight beds. Under the bill, ICFs/IID are placed in three separate peer groups. Peer group 1 is to consist 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 to be in peer group 2. An ICF/IID is to be 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

[15] R.C. 149.43, not in the bill.

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

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.

Initial rates for new ICF/IID in peer group 3

(R.C. 5124.151)

Under the bill, 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 bill establishes a cap on the total per Medicaid day payment rate for ICFs/IID in peer group 3. The total per Medicaid day payment 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)

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

Under the bill, 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)

ODODD is required 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 and 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.

Current law requires the ODODD Director 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 must be based on findings of significant per diem direct care costs difference due to geography and bed size and may be based on findings of significant per diem direct care cost differences due to other factors. The bill eliminates the requirement to adopt such rules and instead uses peer groups 1, 2, and 3.

Current law requires 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 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 no less than the percentage above the cost per case-mix unit for the ICF/IID that has 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 bill, 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%.

Current law requires 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 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 no less than the percentage above the cost per case-mix unit for the ICF/IID that has 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 bill, 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 is not to be less than 18.8%.

The bill 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 calculation 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)

For each fiscal year, ODODD is required 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 bill revises the method by which the efficiency incentive is calculated.

Current law requires the ODODD Director 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 must be based on findings of significant per diem indirect care costs difference due to geography and bed size and may be based on findings of significant per diem indirect care cost differences due to other factors. The bill eliminates the requirement to adopt such rules and instead uses peer groups 1, 2, and 3.

Under current law, the efficiency incentive for an ICF/IID with more than eight beds equals 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 obtains ODODD's approval to downsize and the approval is conditioned on the downsizing being completed not later than July 1, 2018.

- One half of the ICF/IID's 2014 efficiency incentive if the ICF/IID does 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 obtains the downsizing approval discussed above;

- 3.55% of the maximum Medicaid payment rate for the ICF/IID's peer group if the ICF/IID does 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.

Current law provides that the efficiency incentive for an ICF/IID with eight or fewer beds equals 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 bill, the efficiency incentive for an ICF/IID in peer group 1 is to be the lesser of (1) the amount current law provides 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 peer group 3 is to be the lesser of (1) the amount current law provides 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 peer group 3 as appropriate.

Combined maximum payment limit

(R.C. 5124.28)

Current law permits the ODODD Director to adopt rules that provide 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 bill permits the ODODD 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.[17]

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 current law, the termination notice must be provided immediately. The bill eliminates the requirement that the notice be provided immediately. The bill also revises the reduction that is made in the ICF/IID's Medicaid rate paid and the period for which the reduction is made.

Under current law, an ICF/IID is 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 bill 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 the effective date of this provision of the bill and ending on the first day of the first fiscal year beginning after that effective date, $2;

[17] R.C. 5124.10, not in the bill. 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 the first fiscal year beginning after the effective date of this provision of the bill 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 bill, 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, to 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 bill 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; amends Section 259.210 of H.B. 59)

Current law makes adjustments to the formula used to determine the fiscal year 2015 Medicaid payment rates for ICF/IID services. The bill provides that the adjustments do not apply to ICFs/IID in peer group 3.

Among the adjustments to the formula is 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, current law requires that the maximum cost per case-mix unit for an ICF/IID that is not new be the following:

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

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

The ODODD Director is required to study whether the $114.37 and $109.09 maximums for cost per-case mix units will 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 is 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 agree that the $114.37 and $109.09 maximums will 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 bill eliminates these provisions, including the $114.37 and $109.09 maximum cost per case-mix units, and provides 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 (primary and 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 to providing 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.

Current law limits the number of beds that may be so converted and the number of such home and community-based services slots for which the Medicaid Director may seek federal approval under these provisions. Not more than a total of 600 beds may be so converted and the Medicaid Director may not seek federal approval for more than 600 such slots. The bill eliminates these restrictions.

ODODD is required to strive to achieve, not later than July 1, 2018, a reduction in the number of ICF/IID beds available in the state. Current law requires ODODD to strive to achieve (1) a reduction of at least 500 and not more than 600 beds in ICFs/IID that, before the reductions, have 16 or more beds and (2) a reduction of at least 500 and not more than 600 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. The bill eliminates the 600-bed cap on these reductions and conversions. It also requires ODODD to strive to achieve a reduction of at least 1,200 ICF/IID beds through a combination of these reductions and conversions.

County board authority

Superintendent vacancy

(R.C. 5126.0219)

The bill specifies that, if a vacancy occurs in the position of superintendent of a county DD board, the county board must first consider entering into an agreement with another county board under which the superintendent of the other county board acts also as the superintendent of the county board. If the county board determines it is impractical or not significantly efficient to share a superintendent, the county board may employ a superintendent to fill the vacancy.

Under continuing law, a county DD board must either employ a superintendent or obtain the services of a superintendent of another county board. If the superintendent position becomes vacant, it must be filled using either of these two methods. Current law does not require that either method be given first consideration. The bill adds a requirement that the county board first consider sharing a

superintendent with another county board. The county board may employ an individual as superintendent, instead, only after the county board determines it is impractical or not significantly efficient to share a superintendent.

Management employee vacancy

(R.C. 5126.21)

The bill specifies that, if a vacancy occurs in a management employee position of a county DD board, the superintendent of the county board must first consider entering into an agreement with another county board under which the two county boards share personnel. Only once the superintendent determines it is impractical or not significantly efficient to share personnel, the superintendent may employ a management employee to fill the vacancy.

Continuing law allows county DD boards to either employ management employees or share personnel with another county board.[18] Current law does not specify how a county board must fill its management employee vacancy. The bill adds a requirement that, to fill a vacancy, the superintendent first consider sharing personnel with another county board. The superintendent may employ an individual as a management employee, instead, only after the superintendent determines it is impractical or not significantly efficient to share personnel.

Agreement to share employees

(R.C. 5126.02)

The bill authorizes two or more county DD boards to agree to share the services of one or more employees. Current law does not prohibit or restrict county boards from sharing administrative functions or personnel, but the bill's provision expressly permits sharing employee services.

Contracts with nongovernmental agencies

(R.C. 5126.037 (repealed))

The bill repeals current law that prohibits 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.

[18] R.C. 5126.21 and 5126.02(B), not in the bill.

Supported living duties

(R.C. 5162.42 (primary), 5126.046, 5126.43, and 5126.45)

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

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

(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.

The bill maintains continuing law that (1) gives an individual with mental retardation or other developmental disability 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, (2) requires ODODD to make available to the public on its website an up-to-date list of all providers, and (3) requires county boards to assist such individuals and their families access the list from ODODD's website.[19]

Adult services for persons with developmental disabilities

(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 or other developmental disabilities who are (1) age 18 or older and

[19] The bill corrects a reference to the Ohio Department of Job and Family Services by replacing that reference with one to the Department of Medicaid, which was recently created to administer the Medicaid program.

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. The bill revises the law governing adult services.

Adult services support learning and assistance in the areas of self-care, daily living skills, communication, community living, social skills, or vocational skills. Current law provides that adult services includes adult day habilitation services, prevocational and supported employment services (i.e., employment services), sheltered employment, educational experiences and training obtained through entities and activities that are not expressly intended for individuals with mental retardation and developmental disabilities, and community employment services. The bill provides that adult services no longer expressly include adult day care, sheltered employment, and community employment services. It also eliminates a provision of current law specifying that adult day habilitation services include counseling and assistance to obtain housing.

Autism intervention training and certification program

(R.C. 5123.0420)

The bill requires ODODD to establish a voluntary training and certification program for individuals who provide evidence-based interventions to individuals with an autism spectrum disorder. 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 bill permits the ODODD Director to adopt rules to implement the program.

The bill defines "evidence-based intervention" as a prevention or treatment service that has been demonstrated through scientific evaluation to produce a positive outcome.

Permitted disclosure of records pertaining to residents of institutions for the mentally retarded

(R.C. 5123.89)

The bill authorizes the disclosure of records and certain other confidential documents relating to a resident, former resident, or person who 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 bill 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 bill'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.

Under the "permitted disclosure provision" of the federal Health Insurance Portability and Accountability Act (HIPAA) Privacy Rule, and existing Ohio law that incorporates that provision, protected health information in such records and documents may already be disclosed for treatment and payment purposes.[20] The permitted disclosure provision of the HIPAA Privacy Rule permits a health care provider (a "covered entity") to disclose a patient's protected health information, without the patient's authorization, for treatment, payment, and health care operations activities as described in the Rule.[21]

In general, "protected health information" is individually identifiable health information that is transmitted or maintained in electronic media or any other form or medium. "Individually identifiable health information" is health information, including demographic information collected from an individual, that meets all of the following criteria: (1) it is created or received by a health care provider, a health plan, an employer, or a health care clearinghouse, (2) it relates to (a) the past, present, or future physical or mental health or condition of an individual, (b) the provision of health care to an individual, or (c) the past, present, or future payment for the provision of health care to an individual, and (3) it identifies the individual, or there is a reasonable basis to believe it could be used to identify the individual.[22]

[20] 45 Code of Federal Regulations (C.F.R.) 164.506; R.C. 3798.04.

[21] 45 C.F.R. 164.506.

[22] 45 C.F.R. 164.501.

Appointments to county DD boards

(R.C. 5126.022)

The bill authorizes a board of county commissioners, when making appointments to a county DD board, to appoint individuals eligible for services provided by the board of developmental disabilities. Under current 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, existing law requires that at least two be individuals who are immediate family members of individuals eligible for services provided by the board of developmental disabilities. Current law also requires that, whenever possible, the board of county commissioners ensure that one of the family members is an immediate family member of an individual eligible for adult services and the other an immediate family member of an individual eligible for early intervention services or services for preschool or school-age children.[23]

With respect to these two appointments, the bill requires that the board of county commissioners appoint either of the following: (1) individuals eligible for services provided by the county board of developmental disabilities or (2) immediate family members of such individuals. The bill also specifies that the board must, whenever possible, ensure that one appointment is an individual eligible for adult services or an immediate family member of such an individual and the other appointment an immediate family member of an individual eligible for early intervention services or services for preschool or school-age children.

[23] R.C. 5126.021, not in the bill, and 5126.022.

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, 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.

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.

- Requires the Department to seek a waiver from the testing requirements prescribed under the federal "No Child Left Behind Act," and to create a mechanism for comparing the proposed alternative assessments and the state assessments as it relates to the evaluation of teachers and administrators and student achievement data for state report card ratings.

- Authorizes Auxiliary Services funds (paid to school districts on behalf of students enrolled in chartered nonpublic schools) to be used to purchase or lease equipment for emergency communication systems, school entrance security systems, or both for placement in nonpublic schools.

Funding for city, local, and exempted village school districts

Formula ADM

(R.C. 3317.02)

The bill 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. Currently, a district's formula ADM is equal to 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).[24] (JVSDs are separate taxing districts that provide career-technical education classes and courses for the students of member city, exempted village, and local school districts.) The fractional student counts provided for in current law and under the bill 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 bill specifies that, for purposes of the calculation of targeted assistance funding for city, local, and exempted village school districts (which is based on a district's property value and income), the "net formula ADM" used to calculate that payment does not include 75% of the number of the 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 are deducted from the state education aid of that district's account and paid to the STEM school.[25] Thus, the bill'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 bill 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 bill'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

[24] 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 bill.

[25] R.C. 3326.33, not in the bill.

under previous school funding formulas, in effect prior to the enactment of the current funding system in H.B. 59.

Adult Career Opportunity Pilot Program

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

The bill 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 bill 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 bill 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 bill 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 bill's provisions.

Recommendations

The bill 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.

Use of proceeds from sale of school district real property

(R.C. 5705.10)

The bill authorizes a board of education to use proceeds received on or after September 29, 2013, from the sale of school district real property for payment into a special fund for the construction or acquisition of permanent improvements, which includes any property, asset, or improvement with an estimated life or usefulness of five years or more, including land and interests therein, and reconstructions, enlargements, and extensions thereof having an estimated life or usefulness of five years or more. Alternatively, continuing law authorizes a board of education to use the proceeds to retire debt incurred by the school district with respect to the real property sold, and to pay the proceeds in excess of the funds necessary to retire the debt into the school district's capital and maintenance fund to be used only to pay for the costs of nonoperating 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 bill authorizes all STEM schools and up to ten school district boards of education that are members of the Ohio Innovation Lab Network to submit to the Superintendent of Public Instruction 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 (see "**Contents of waiver request**" below). 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.

Contents of waiver request

The bill 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 bill 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.

Department duties related to the waiver program

The bill requires the Department of Education 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.

Auxiliary Services funds

(R.C. 3317.06)

The bill authorizes Auxiliary Services funds to be used to purchase or lease equipment for emergency communication systems, school entrance security systems, or both for placement in nonpublic schools. School districts receive state Auxiliary Services funds to purchase goods and services for students who attend chartered nonpublic schools located within their territories. Under current law, these funds may be used to purchase, for loan to students of chartered nonpublic schools, such things as textbooks, electronic textbooks, workbooks, instructional equipment including computers, and library materials, or to provide health or special education services.

- Requires the Director of Environmental Protection, for the purpose of reducing emissions from diesel engines, to administer, in part, a Clean Diesel School Bus Program, rather than a Diesel Emissions Reduction Revolving Loan Program as in current law.

- Accordingly, eliminates the Diesel Emissions Reduction Revolving Loan Fund, which consists of state and federal money and contributions and is used for making loans for projects relating to certified engine configurations and verified technologies in a manner consistent with federal requirements.

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

Clean Diesel School Bus Program

(R.C. 122.861)

The bill 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 as in current law. The bill then eliminates the Diesel Emissions Reduction Revolving Loan Fund. The Fund consists 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 is 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 bill eliminates the sunset of the privilege provided to information and communications that are part of environmental audits by eliminating the stipulation that the privilege applies 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

- Revises 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 (excluding public utility personal property) made up 18% or more of its total taxable value for tax year 2005.

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 referenced in the surety bond provisions of the bill.

Local shares for certain Expedited Local Partner districts

(R.C. 3318.36)

The bill makes an exception to the general requirement that school districts participating in the Expedited Local Partnership Program "lock in" their local share percentage for when they eventually become eligible for the Classroom Facilities Assistance Program (CFAP). Under the bill, when an Expedited Local Partner district becomes eligible for CFAP, if the 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 state funding for a districtwide project under the CFAP will be based on the *smaller* of its wealth 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 will be the *lesser* of (1) the percentage locked in under the Expedited Local Partner agreement or (2) the percentage computed using its current wealth percentile rank.

Background

The School Facilities Commission is an independent agency within the Ohio Facilities Construction Commission. It administers several programs that provide state assistance to school districts and other public schools in constructing classroom facilities. The main program, the CFAP, is designed to provide each city, exempted village, and local school district with partial funding to address all of the district's classroom facilities needs. It is a graduated, cost-sharing program where a district's portion of the total cost of the project and priority for funding are based on the district's relative wealth. Districts are ranked by wealth into percentiles. The poorest districts are served first and receive a greater amount of state assistance than wealthier districts will receive when it is their turn to be served based on their respective wealth percentile. Other smaller programs address the particular needs of certain types of districts and schools but most assistance continues to be based on relative wealth. Of these, the Expedited Local Partnership Program permits most school districts that have not been served under CFAP to apply the advance expenditure of *district* money on approved parts of their districtwide needs toward their shares of their CFAP projects when they become eligible for that program.

The annual wealth percentile rankings of school districts for school facilities funding is based on the "total" taxable value of each district, averaged over three years. That total taxable value is the sum of both the district's real property tax valuation and its tangible personal property tax valuation. Beginning in 2005, however, the tax on tangible personal property that is not public utility personal property was phased down

over several years, and is now fully phased out.[26] Thus, the value of that tangible personal property is no longer included in a district's current total taxable value. As each district's three-year average adjusted valuation is computed each year, the impact of the tangible personal property valuation will decrease. This decline in total valuation could eventually lower a district's wealth percentile and increase the amount of state funding available for its school facilities projects.

But districts participating in the Expedited Local Partnership Program "lock in" the percentage of their districtwide CFAP projects when they enter into their expedited agreements. Under the Expedited Local Partner Program, a participating district may go ahead with some of its districtwide project using local funds, and apply that local expenditure toward its share when it becomes eligible for CFAP. Since a district's percentage of the total project cost is set in the expedited agreement, changes in the district's valuation (up or down) do not affect its share of the eventual CFAP project. Accordingly, districts that had a relatively higher amount of tangible personal property in their total taxable values when the tax was phased out may experience a negative effect from having locked in the percentages of their local shares of their CFAP projects. That is, their shares may be lower now, if computed using their lower valuations, than they were when the districts entered into their expedited agreements.

Surety bond to secure promised energy or water savings

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

The bill 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 bill 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 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.

[26] R.C. 5711.22, not in the bill.

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 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 bill 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 bill 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. Current law does not expressly require courtesy card permit holders to comply with Ohio law while operating under a courtesy card permit.

The bill 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.

- Replaces a requirement that a CON be obtained for a change within five years after an activity for which a CON was granted is implemented 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 with a procedure for granting a replacement CON in that circumstance.

- Provides that the Director may accept an application for a replacement CON only if it is requested so that an activity can be implemented in a manner that is not in substantial accordance with the CON being replaced.

- 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 written comments about a CON application to the Director.

- Allows a long-term care facility operated by a religious law order under exception to the CON 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.

Nursing home and residential care facility inspections

- 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 towards 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 towards 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 by the Department 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 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.

Prenatal group health care pilot program

- Requires the Director to establish and operate a three-year prenatal group health care pilot program, based on the CenteringPregnancy model of care and the University of Cincinnati Social Determinants Program.

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.[27] 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

[27] R.C. 3702.53, not in the bill.

Medicare or Medicaid law, and the portion of a hospital that contains skilled nursing beds or long-term care beds.[28] Some of the reviewable activities requiring 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.

Under current law, 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 bill 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 bill provides that a reviewable activity is not to be determined to be not in substantial accordance with the CON due to a decrease in bed capacity.

The bill replaces a requirement that a new CON be obtained for a change, within five years after an activity is implemented, in 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 with 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.

Under the bill, the Director is to accept a replacement CON application for a reviewable activity requiring a CON if (1) the applicant requests the replacement CON so that the activity for which the approved CON was granted can be implemented in a manner that is not in substantial accordance with the approved CON and (2) the requirements of continuing law are met. The continuing requirements are that (1) the applicant must be the same person who applied for the approved CON or a person affiliated with or related to the original applicant, (2) the source of any long-term care beds to be relocated must be the same as in the approved CON, (3) the application for the approved CON cannot have been subject to a comparative review, and (4) the application for the replacement CON cannot propose to increase the number of long-term care beds to be relocated as specified in the application for the approved CON.

Current law provides that any long-term care beds approved in a CON remain approved in the application for a replacement CON. The bill 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.

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[28] R.C. 3702.51, not in the bill.

The Director is required by the bill 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 bill revises the deadline by which an affected person must submit written comments. Under current law, the Director must consider all written comments received by the 30th day after the notice that the CON application is complete is mailed or, in the case of CON applications under comparative review, by the 30th day after the Director mails the last notice of completeness. The bill 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 current 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 bill 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. Under current law, a Department survey team is required, at the conclusion of a survey, to conduct an exit interview with the person in charge of the nursing facility. The bill 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.

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 bill 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.

Long-term care facility admitting sexual offender

(R.C. 3721.122)

The bill 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 to the long-term care facility, the administrator must provide for the 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 to the facility 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.

Nursing home, residential facility expedited inspections and plan review

(R.C. 3721.02)

The bill provides for a process by which a nursing home or a 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. The Director must commence the licensing inspection not later than ten business days after receiving a request for an expedited inspection. Upon receiving a request to review building plans, the Director may, but is not required to, conduct the requested review. To cover the expenses of expediting the inspection or conducting the review, the bill 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 bill 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 a health resource shortage area.

Participation requirements

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

The bill permits physicians and dentists to participate in the loan repayment programs on a part-time basis. The bill 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. Under current law, participating physicians must provide primary care services and participating dentists must provide dental services for a minimum of 40 hours per week.

The bill 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. Under current law, the Department need not approve the specific sites in which the services are to be provided.

The bill also permits a physician or dentist to count teaching activities towards the physician's or dentist's full-time or part-time practice. It defines "teaching activities" as supervising medical students and residents or dental students and residents at the service site specified in the letter of intent. The extent to which teaching activities can count towards a physician's or dentist's full-time or part-time practice must be specified in the participation contract (see below).

Participation contract

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

The bill 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 towards the full-time or part-time practice hours.

Repayment amounts

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

The bill modifies the limit on the amounts of repayment that will be made on behalf of a participating physician or dentist. Under current law, the repayment made on behalf of a physician or dentist may not exceed $25,000 for the first two years of service and may not exceed $35,000 for the third and fourth years of service. Instead, the bill 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 bill specifies that the amount of state funds that are used for repayment on the participant's behalf must match the amount of the federal funds. The bill also requires that the amount of repayment be specified in the participation contract (see above).

The bill also 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 bill 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 bill further 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 bill 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 bill also permits the Director to adopt rules regarding the submission of test results. If the Director adopts rules, the bill 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 bill requires the Ohio Public Health Advisory Board to review and make recommendations to the Director regarding any proposed changes to departmental policies that apply 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 Department is responsible for administering the WIC program. Existing law authorizes the Director to contract with grocer and pharmacy vendors to provide supplemental foods and infant formula to WIC program participants. A grocer or pharmacy seeking to serve as a vendor must submit an application to the Department. The Director may then enter into a contract with an applicant if certain criteria outlined in Department rules are satisfied.[29]

Current law requires the Advisory Board to review and make recommendations to the Director on all of the following:

(1) Developing and adopting proposed rules concerning programs administered by the Department;

(2) Prescribing proposed fees for services provided by the Office of Vital Statistics and the Bureau of Environmental Health;

(3) Issues to improve public health and increase awareness of public health issues at the state level, local level, or both;

(4) Any other public health issues the Director requests the Board to consider.

The bill requires that the Advisory Board also review and make recommendations on any proposed policy changes that (1) pertain to entities serving or seeking to serve as vendors under the WIC program and (2) are not already subject to Board review as proposed rules. The bill specifies that, when making recommendations on any proposed WIC program policy changes, the proposed 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.

[29] Ohio Administrative Code Chapter 3701-42.

Elimination of Alcohol Testing Program Fund

(R.C. 3701.83; Section 512.20)

The bill 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 is used by the Director of Health to administer and enforce the Alcohol Testing and Permit Program.

Tattoo parlor operators ensure equipment is disinfected and sterilized

(R.C. 3730.09)

The bill requires tattoo parlor operators to ensure all invasive equipment used to apply tattoos or body piercings is disinfected and sterilized according to Ohio law and regulations. Currently, the operator must require the individual who performs the tattoo or piercing to disinfect and sterilize the equipment.

Prenatal group health care pilot program

(Sections 610.20 and 610.21 (amending Section 285.20 of H.B. 59 of the 130th General Assembly) and 737.10)

Under the bill, the Director of Health must establish, no later than January 1, 2015, a prenatal group health care pilot program that is based on the CenteringPregnancy model of care and the University of Cincinnati Social Determinants Program developed by the Centering Healthcare Institute and the University of Cincinnati Division of Community Women's Health. The program is to be operated for three years at four federally qualified health centers or federally qualified health center look-alikes selected by the Director. Two participants must be located in a rural area and the other two, in an urban area.

A "**federally qualified health center**" is a health center that receives a federal public health services grant or any other health center designated as such by the U.S. Health Resources and Services Administration. A "**federally qualified health center look-alike**" is a public or not-for-profit health center that meets the eligibility requirements to receive a federal public health services grant but does not receive that funding.[30]

The goals of the program include:

[30] R.C. 3701.047(A), not in the bill.

(1) Decreasing the number of infants born preterm (prior to 37 weeks of pregnancy) whose birth weight is less than 2,500 grams;

(2) Increasing the number of pregnant patients who begin prenatal care during their first trimester of pregnancy, consume appropriate amounts of folic acid, stop smoking, and are screened for depression, the human immunodeficiency virus (HIV), diabetes, and poor oral health;

(3) Increasing the number of women who breastfeed their infants.

Selection of program participants

The bill requires the Director to develop a process to be used in issuing a request for proposals (RFPs) to federally qualified health centers and federally qualified health center look-alikes in Ohio, receiving responses to the request, and evaluating the responses on a competitive basis. In the RFPs, the Director is to specify that a program participant must be able to demonstrate that it:

--Has space to comfortably host pilot program groups consisting of up to 20 pregnant patients;

--Has adequate in-kind resources to contribute to the program, including existing medical staff;

--Is an active obstetrical clinic, where prenatal medical care is provided on site and has had, on average, at least 100 patients give birth annually in the years recently preceding the bill's effective date;

--Is able to designate at least one employee to serve as pilot program Coordinator;

--Agrees to implement before July 1, 2015, all the requirements of the University of Cincinnati Social Determinants Program;

--Provides referral and access to care coordination and home visitation services for those patients participating in the pilot program;

--Is willing to share research and quality improvement data and participate in a collaborate exchange of information with other program participants; and

--Meets any other requirements the Director establishes.

The Director is to convene a committee to assist in evaluating submitted proposals and selecting program participants. At least one member of the committee

must represent the Ohio Association of Community Health Centers and one member must represent the University of Cincinnati Division of Community Women's Health.

Operation of the program

The Ohio Association of Community Health Centers and University of Cincinnati Division of Community Women's Health are charged with assisting the Director in the program's operation. To that end, the Association must employ a part-time infant mortality program coordinator and the Division must employ a full-time program coordinator and a full-time quality improvement consultant whose duties include providing technical assistance to program participants, collecting data regarding the program, and monitoring the program's success.

Reporting requirements

Beginning not later than January 1, 2016, the Director must prepare a written report no later than January 1 of each year that (1) summarizes the data that has been collected on the program in the preceding 12 months, (2) evaluates the program's achievement toward its goals, (3) makes recommendations for the program's future, and (4) provides any other information the Director considers appropriate. The report is to be submitted to the Governor and the General Assembly.

Transfer and appropriation

The bill transfers and appropriates $1.6 million from the Health Care Grants-Federal Fund to the Department of Health to be used for the pilot program. The bill provides that each federally qualified health center or federally qualified health center look-alike selected to participate in the program is to receive $200,000. The bill earmarks $100,000 to the Ohio Association of Community Health Centers and $600,000 to the University of Cincinnati Social Determinants Program. The Department must retain $100,000 to implement the program.

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.

- 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.

- Expands the duties of the OHFA Executive Director relating to the management of the agency.

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, Speaker of the House, and the President of the Senate within three months after the end of the reporting year. The bill 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 bill, within 45 days of OHFA's issuance of the annual financial report, OHFA's 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 (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, and (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 Executive Director

(R.C. 175.05 and 175.053)

The bill requires the OHFA Executive Director, in addition to filing financial disclosure statements as required by continuing law, to ensure policies and procedures are developed and maintained for the operation and administration of OHFA's programs and activities that encourage competition and minimize concentration. The policies and procedures must address all applicable state and federal requirements.

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

Program duties

(R.C. 175.06)

The bill 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 Job and Family Services 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 the current law 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 currently is required to be assessed against any employer who fails to furnish information to the 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 Director must credit employer accounts for amounts repaid.

Child care

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

- Eliminates the 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 the Ohio Department of Job and Family Services (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 that specifies CDJFS procedures with regard to waiting lists when resources become available.

- Repeals provisions that permit 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 ongoing 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.

Ohio Family Stability Commission

- Creates the Ohio Family Stability Commission in ODJFS.

Initiatives to reduce reliance 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 ODJFS to allocate $50,000 in fiscal year 2015 to each of the five CDJFSs that are to participate in the pilot program for administrative expenses.

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

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

Information to be provided by children's residential facilities

- Requires residential facilities that care 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 established pursuant to rules adopted under authority granted by the bill.

- Permits ODJFS to adopt rules necessary to implement the bill's provisions regarding the required notices.

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 the implementation of

the community engagement 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 the pilot program in each county to include the county and at least one PCPA or PNA.

- 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.

- Requires ODJFS to seek state funding to implement the pilot program and to contract for the independent evaluation.

- Permits ODJFS to adopt rules in accordance with the Administrative Procedure Act necessary to carry out the purposes of the pilot program.

Other provisions

- 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 bill for children services.

- 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 bill for adult protective services.

- 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 pursuant to continuing law's record retention and disposal procedure.

- Requires the Director of Budget and Management to transfer the balances of certain ODJFS funds to ODJFS's Administration and Operating Fund or the General Revenue Fund 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 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 bill 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 Job and Family Services. 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 bill, 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 Director), as instructed by the Director, or fails to reopen an existing claim following a period of employment. This allows the Director to immediately cease benefit payments until the requirement is satisfied, rather than, as under current 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 must collect.

Definition of remuneration

(R.C. 4141.01(H) and R.C. 4123.56, not in the bill)

The bill expands the current law list of types of compensation that are not considered "remuneration" for purposes of Ohio's Unemployment Compensation Law (thus matching federal exclusions):

(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.

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.

As a result of this change, the bill 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.

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 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, the first 60% of this penalty must be deposited into the Unemployment Compensation Fund. The bill requires that the amount deposited in the Unemployment Compensation Fund be credited to the Mutualized Account within that Fund.

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 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 bill eliminates the current law requirement that an employer who fails to furnish information required by the Director must forfeit $500. Under that eliminated provision, the amount must be collected in a lawsuit brought against the employer in the name of the state.

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

Application of repayments within the Unemployment Compensation Fund

(R.C. 4141.35)

The bill 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 Director must credit employer accounts in the Unemployment Compensation Fund for amounts repaid. Current law, from which these fund recoveries are excluded under the bill, 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 remaining is paid to the Mutualized Account. It is unclear how improperly paid benefits recovered pursuant to unclaimed fund recoveries, lottery award offsets, and state tax refund offsets will be applied to employer accounts under the bill.

Child care

Regulation of child care: background

(R.C. Chapter 5104.)

The Ohio Department of Job and Family Services (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.[31] Child care can be provided in a

[31] R.C. 3301.51 to 3301.59, not in the bill.

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 the Department, 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 the Department, 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 the Department.
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 the Department. When a license application is filed, the Director must investigate and inspect the type B home to determine the license capacity for each age category of children of the type B home and to determine whether the type B home complies with the child care law (Chapter 5104. of the Revised Code) and rules

adopted under that law. The Director is permitted to contract with a government or private nonprofit entity to inspect and license type B homes.

The bill eliminates the Director's authority to contract with a government or private nonprofit entity to license type B homes. 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.[32] 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.[33]

ODJFS has been designated the lead state agency responsible for the administration and coordination of CCDF funding.[34] 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.[35]

Presumptive eligibility

In accordance with rules the bill requires the ODJFS Director to adopt, the bill 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 days after an applicant is determined ineligible, if the CDJFS received a completed

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[32] 42 United States Code (U.S.C.) 9858n.

[33] 42 U.S.C. 618(c).

[34] R.C. 5104.30, not in the bill.

[35] 42 U.S.C. 9858c.

application and all required documentation. The bill authorizes a program to appeal a denial of payment pursuant to rules the bill requires the Director to adopt.

Under the bill, an applicant would no longer have to wait until eligibility is determined before beginning to receive child care services. This means that some applicants could 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 would have to be paid for with state child care funds.

Continuous authorization

The bill 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, 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. As a result, parental job disruption could result in the children being admitted and removed from child care repeatedly. The bill 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 bill provides for would have to be funded with state child care funds.

Protective child care

The bill specifies that ODJFS, rather than CDJFSs, is responsible for ensuring the availability of 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.[36] Under current law, CDJFSs are required to make protective child care services available to children without regard to the income or assets of the child's caretaker parent. The bill instead assigns this responsibility to ODJFS.

Waiting lists

The bill 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. Current law permits a waiting list to be established by a CDJFS that determines that available resources are not sufficient to provide publicly funded child

[36] R.C. 5104.01(JJ), not in the bill.

care to all eligible families who request it. A CDJFS may establish separate waiting lists based on income.

When resources become available to provide publicly funded child care to families on the waiting list, a CDJFS that establishes a waiting list is required to assess the needs of the next family scheduled to receive publicly funded child care. If the assessment demonstrates that the family continues to need and is eligible for publicly funded child care, the CDJFS must offer it to the family. If the CDJFS determines that the family is no longer eligible or no longer needs publicly funded child care, the CDJFS must remove the family from the waiting list. The bill instead provides that ODJFS may establish a waiting list but repeals the law that specifies procedures with regard to waiting lists for publicly funded child care.

Maximum eligible income established by a CDJFS

The bill repeals law that authorizes 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. Current 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. In addition, ODJFS must specify procedures under which a CDJFS may establish a maximum amount of eligibility that is higher than the amount established by ODJFS, if ODJFS sets the maximum at less than 200% of the federal poverty line.[37] The bill eliminates a CDJFS's authority to establish a different maximum than ODJFS.

Fees paid by caretaker parents

The bill permits ODJFS, rather than CDJFSs, to require a caretaker parent to pay a fee for publicly funded child care. Current law permits 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 bill, ODJFS must develop and implement a real time data match program with the State Lottery Commission and its lottery sales agents and lottery

[37] At present, to be eligible for publicly funded child care, a family's income must be below 125% of the federal poverty line. For continued eligibility, the maximum is 200%.

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.

Upon the data match program's implementation, 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 the Director's designee also can take any additional steps to determine default. If the prize winner affirms or if the Director or the Director's designee determines that the person is in default, the Director or the Director's 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 the Director's designee must pay the amount specified in the intercept directive to the Office of Child Support in ODJFS.

Casino winnings

The bill 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.

Ohio Family Stability Commission

(R.C. 5101.345; Section 125.10)

The bill creates the Ohio Family Stability Commission in ODJFS. The Commission, which is to consist of 25 members (see "**Membership**," below), must fulfill specified duties over the course of a four-year period.

First year

During its first year of operation, the Commission must conduct research and formulate recommendations for consideration by the General Assembly, appropriate state agencies, and other appropriate entities concerning the following societal issues that impact the stability of families in Ohio: (1) the divorce rate and strategies for reducing the divorce rate, (2) the birth rate among unmarried individuals and strategies for reducing the number of births occurring outside of marriage, (3) the rate of domestic violence, including child abuse, and strategies for reducing the rate of domestic violence, and (4) issues concerning child custody and support. The recommendations must provide the General Assembly, appropriate state agencies, and other appropriate entities with strategies, both legal and otherwise, for addressing the issues described above.

Second year

During its second year of operation, the Commission must advise the General Assembly, appropriate state agencies, and other appropriate entities on ways to implement the recommendations formulated during the Commission's first year of operation.

Third year

During its third year of operation, the Commission must continue to provide advice regarding implementation of the recommendations formulated during the Commission's first year of operation and must begin monitoring implementation. The Commission must issue a report to the General Assembly at the end of this year regarding the status of the implementation of the recommendations.

Fourth year

During its fourth year of operation, the Commission must conduct activities to ensure continued implementation of recommendations formulated during its first year of operation and, if applicable, enforcement of the recommendations. The Commission must issue a report to the General Assembly at the end of this year regarding the status of the implementation of the recommendations.

Termination of the Commission

The bill's provisions are repealed on the first day of the 49th month after its effective date.

Membership

The Commission's membership is to consist of four members of the General Assembly and 21 persons who are government agency representatives, private citizens, or elected officials (other than General Assembly members). Of the four General Assembly members, two are to be appointed by the President of the Senate from different political parties and two are to be appointed by the Speaker of the House from different political parties. The remaining 21 members are to be appointed by the Governor as follows:

--Two with expertise in out-of-wedlock births;

--Two with expertise in marital divorce;

--One with expertise in education;

--One with expertise in employment;

--One with expertise in child support;

--One with expertise in child custody;

--One with expertise in child abuse and neglect;

--One with expertise in domestic violence;

--Two with expertise in the judicial system;

--Two with expertise in criminal justice;

--Two with expertise in faith-based initiatives;

--Two with expertise in fatherhood programs;

--Two with expertise in philanthropic or nonprofit management;

--One with expertise in mass media or communications.

Commission members are to serve at the pleasure of their appointing authorities and vacancies are to be filled in the manner provided for original appointments. Members are to serve without compensation, except to the extent that serving is considered part of their regular duties of employment.

Staffing

The Commission is to be staffed by ODJFS personnel. The bill specifies, however, that this staffing requirement does not require the Department to employ personnel it otherwise would not have employed.

Initiatives to reduce reliance on public assistance

Ohio Works First Employment Incentive Pilot Program

(Section 751.35)

The bill 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 bill 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 bill 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 child-care; and Title XX social services. The workgroup is to consist of the following individuals who the Governor is to appoint not later than 30 days after the effective date of this provision of the bill:

(1) The directors of the CDJFSs that serve the three most populous counties in the state;

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

(3) The directors of three other CDJFSs.

A CDJFS director appointed to the workgroup may designate another representative of the CDJFS to serve in the director's place on a temporary or ongoing basis as needed. The directors 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 180 days after the effective date of this provision of the bill. 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.

Caseworker and county department evaluation system

(R.C. 5101.90)

The bill requires ODJFS to establish an evaluation system that rates individual CDJFS caseworkers and each CDJFS in terms of their 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. 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. Caseworkers' and CDJFSs' ratings are to be updated at least annually under the system.

Children's residential facility changes

Information to be provided by children's residential facilities

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

The bill 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 bill specifies that a foster home is not a residential facility.

Type of information to be provided

The bill 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 existing law;

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

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

Within ten days of a facility's recertification by the Ohio Department of Job and Family Services (ODJFS), the bill 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 bill also permits ODJFS to adopt rules in accordance with the Administrative Procedures Act necessary to implement the bill'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 bill 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 bill 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 bill requires ODJFS to file the initial rules regarding community engagement plans within 90 days after the bill's effective date.

Facility definitions

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

Each of the facilities subject to the bill'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.[38]

- **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

[38] R.C. 5103.13, not in the bill.

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.

Child Placement Level of Care Tool pilot program

(Sections 610.20 and 610.27, amending Section 301.143 of H.B. 59 of the 130th General Assembly)

The bill requires ODJFS to implement and oversee use of a Child Placement Level of Care Tool on a pilot basis. The bill 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.

Pilot program site selection and development

The bill 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 180 days after the bill's effective date and end not later than 18 months after the date the pilot program begins. 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 governing competitive bidding for the state administered by the Department of Administrative Services, the bill 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 bill requires ODJFS to seek maximum federal financial participation to support the pilot program and the evaluation. And, 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 bill requires ODJFS to seek state funding to implement the pilot program and to contract for the independent evaluation.

Rule-making authority

The bill 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 bill 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 overlaps 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) A representative of the Office of the Governor, appointed by the Governor; (5) Two members of the House of Representatives, one from the majority party and one from the minority party, appointed by the Speaker; (6) Two members of the Senate, one from the majority party and one from the minority party, appointed by the President of the Senate; (7) One representative of the Public Children Services Association of Ohio, appointed by the Governor; (8) One representative from the Ohio Department of Job and Family Services Executive Directors' Association, appointed by the Governor; (9) One representative from the County Commissioners Association of Ohio, appointed by the Governor; (10) 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 seven days after the bill's effective date.
Workgroup administration	The ODJFS Director must serve as the Workgroup's chairperson.

Workgroup recommendations	Requires the Workgroup, not later than 120 days after the bill's effective date, 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 one year after the bill's effective date.
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 bill 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 overlaps 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) A representative of the Office of the Governor, appointed by the Governor; (6) Two members of the House of Representatives, one from the majority party and one from the minority party, appointed by the Speaker; (7) Two members of the Senate, one from the majority party and one from the minority party, appointed by the President of the Senate; (8) One representative from the Ohio Department of Job and Family Services Executive Directors' Association, appointed by the Governor; (9) One representative from the County Commissioners Association of Ohio, appointed by the Governor; (10) One representative of the AARP, appointed by the Governor; (11) 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 seven days after the bill's effective date.
Workgroup administration	The ODJFS Director must serve as the Workgroup's chairperson.
Workgroup recommendations	Requires the Workgroup, not later than 120 days after the bill's effective date, 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 one year after the bill's effective date.
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 bill 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 pursuant to 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 records of the county, and reviews applications for one-time disposal of obsolete records and schedules of records retention and disposition submitted by county offices.

Under the bill, "paper case records" means 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, of children's care in out-of-home care, and of 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, regulation, or rule requires ODJFS or a public children services agency to maintain.[39]

ODJFS funds abolished

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

The bill 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;

[39] R.C. 2151.421, 5101.13, 5153.166, or 5153.17.

(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 General Revenue Fund all cash in the OhioCare Fund, Human Services Stabilization Fund, and Managed Care Assessment Fund.

All of the transfers are to be completed within 90 days of the effective date of this provision of the bill 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 are currently established in the Revised Code: the Banking Fees Fund, BES Building Consolidation Fund, BES Building Enhancement Fund, and Child Support Operating Fund.[40] As part of the elimination of these funds, the bill repeals the laws establishing them. The rest of the funds were established administratively.

Under current 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) must be deposited into the BES Consolidation Fund and the balance of the purchase price must 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

[40] Currently, the BES Consolidation Fund and BES Building Enhancement Fund are called the ODJFS Building Consolidation Fund and ODJFS Building Enhancement Fund, respectively, in the Revised Code.

of the BES Consolidation Fund and BES Enhancement Fund, the bill requires that all money received from such sales be deposited into the Unemployment Compensation Special Administration Fund.

Under current law, the Treasurer of State must 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 must be deposited into the Unemployment Trust Fund. As part of the elimination of the Banking Fees Fund, the bill requires that all interest collected on funds within the Benefit Account be deposited into the Unemployment Trust Fund.

- 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 bill 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 (R.C. 2151.415),

(2) regarding the yearly review of a child's placement, custody arrangement, and case plan (R.C. 2151.417), 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 (R.C. 2151.417 and 2151.419).

Mediation communications that may be disclosed

(R.C. 2710.06)

The bill 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 bill 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 bill 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 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.[41]

[41] R.C. 2710.01(B), 2710.03, and 2710.07, none in the bill.

- Voids a rule that requires 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 the state.

Manufactured Homes Commission headquarters

(R.C. 4781.04; Section 747.20)

The bill specifies that rule 4781-1-02 of the Ohio Administrative Code is void. That rule requires the Manufactured Homes Commission headquarters to be in Dublin, Ohio. The bill 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.

- 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.

- 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 tracking residents' admissions to hospitals.

- Establishes for fiscal year 2016 and thereafter accountability measures regarding the employment of an independent social worker or social worker and regarding the utilization of a person-centered method of medication delivery.

- Provides that an alternative purchasing model for certain nursing facility services (1) is ongoing, (2) need not be established as a Medicaid waiver, and (3) must be provided by discrete units of certain nursing facilities; requires that services are paid at 60% of the statewide average of the Medicaid payment rate for long-term acute care hospital services or pursuant to an alternative methodology; and requires prior authorization for admission to a long-term acute care hospital or rehabilitation hospital.

- 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 provider agreement goes into effect after the first day of October of that calendar year.

- Creates the Nursing Facility Behavioral Health Advisory Workgroup.

Long-term care facility admitting sexual offender

(R.C. 3721.122)

The bill 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 to the long-term care facility, the administrator must provide for the 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 to the facility 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.

Assisted Living Program payment rates

(Sections 610.20, 610.21, and 751.50)

The bill requires that the Medicaid payment rates for services provided under the Assisted Living Program during the period beginning on the effective date of this provision of the bill and ending June 30, 2015, be 1.5% higher than the rates for the services in effect on July 1, 2013.

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 bill 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 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 current 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 one, (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.

Current law requires 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 are due not later than July 1, 2014. The bill adds two replacement accountability measures. Nursing facilities may begin to be awarded points for the new accountability measures in fiscal year 2016. To be awarded a point for the first of the new accountability 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 one, a nursing facility must utilize a person-centered method of medication delivery for its residents instead of utilizing a medication cart. The bill 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)

Current law permits the Medicaid Director to establish, through a federal Medicaid waiver, an alternative purchasing model for nursing facility services provided, during fiscal years 2014 and 2015, to Medicaid recipients with specialized health care needs, including recipients dependent on ventilators, recipients who have

severe traumatic brain injury, and recipients who would be admitted to long-term acute care hospitals or rehabilitation hospitals if they did not receive nursing facility services. If the Director establishes the alternative purchasing model, the model is to do all of the following:

(1) Recognize a connection between enhanced Medicaid payment rates and improved health outcomes capable of being measured;

(2) Include criteria for identifying Medicaid recipients with specialized health care needs;

(3) Include procedures for ensuring that Medicaid recipients identified as having specialized health care needs receive nursing facility services under the model.

The bill revises the law governing the alternative purchasing model. 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. If the Director establishes the model, the Director is to take the following actions rather than the actions specified in current 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 a discrete unit of a nursing facility to be excluded from the model if the unit 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 long-term care acute care hospital or rehabilitation services.

Initial cost report for new nursing facilities

(R.C. 5165.10 and 5165.106)

Under current law, a new nursing facility is 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 may grant a 14-day extension if the nursing facility provides ODM a written request for the extension and ODM determines that there is good cause for the extension. Except when a new nursing facility's initial cost report covers a period that begins after the first day of October of a year, the nursing facility's next cost report is due not later than 90 days, or 104 days if an extension is granted, after the end of the calendar year during which it first participates in the Medicaid program.

The bill 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.

Nursing Facility Behavioral Health Advisory Workgroup

(Section 751.120)

The bill 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 of its findings and recommendations for the pilot project 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 bill requires members to be appointed within 15 days after the bill's effective date and any vacancies are 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 continue to receive any compensation or benefits earned from their regular employment.

The bill 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 provided by the Department of Medicaid.

- Defines the term "massage therapy" for the purposes of the Massage Therapy Certification Law.
- Allows the State Medical 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)

The bill defines "massage therapy" for the purposes of the Massage Therapy Certification Law 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." Current law has no definition of the term.

Continuing education for limited branch practitioners

(R.C. 4731.155)

The bill allows the State Medical 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:

- Massage therapy;
- Cosmetic therapy;
- Naprapathy;

- Mechanotherapy.

Of the four limited branches, current law requires only cosmetic therapists to complete continuing education requirements to renew a certificate, and the bill eliminates those statutory requirements.

Currently, a cosmetic therapist must complete no less than 25 hours of continuing education in a program approved by the Board. The cosmetic therapist must submit a sworn affidavit asserting compliance with the requirements. Currently, the Board only has the power to pro-rate or excuse the number of required continuing education hours in limited circumstances. The bill also eliminates the provision that states a cosmetic therapist's failure to comply with the current continuing education provision constitutes 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 sale of forfeited property and specifies how the proceeds are to be dispersed.[42] The bill 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 existing State Medical Board Operating Fund and may be used only to further the investigation, enforcement, and compliance activities of the Board.

[42] R.C. 2981.13, not in the bill.

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 that those services were publicly funded.

- Requires that $3.75 million of the Ohio Department of Mental Health and Addiction Services' (ODMHAS's) fiscal year 2015 appropriation for community behavioral health be used to expand the Residential State Supplement Program.

- Provides for $8,821,800 of ODMHAS's fiscal year 2015 appropriation for community behavioral health to be transferred to a new appropriation item to be used by the Ohio Department of Rehabilitation and Correction to defray a portion of the annual payroll costs associated with the employment of up to two specialized docket staff members by eligible courts.

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 returning offenders who have severe mental illnesses, severe substance use disorders, or both in obtaining Medicaid-covered community mental health services, Medicaid-covered community drug addiction services, or both.

Planning for Ohio's Future Study Committee

- Creates the Mental Health and Addiction Services Planning for Ohio's Future Study Committee to review and make recommendations for improving access and dedicating consistent funding streams to Ohio's mental health and addiction services programming.

- Requires the Committee to submit a report of its findings and recommendations to the Governor and General Assembly by December 31, 2014, and abolishes the Committee upon submission of the report.

Nursing facility preadmission screenings for individuals with mental illness

- Provides that an individual with mental illness is not required to undergo a preadmission screening before admission or readmission to a nursing facility in specified circumstances.

- Permits a nursing facility that so admits or readmits such an individual to provide for the individual to undergo a resident review every 30 days that meets certain requirements.

Records

- Excludes ODMHAS records from the general medical records production requirement, if release of the record is covered by ODMHAS Law.

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 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 existing law, each board of alcohol, drug addiction, and mental health services (ADAMHS board) must include at least one person who has received or is receiving mental health services paid for by public funds and at least one person who has received or is receiving addiction services paid for by public funds. The bill

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 existing law, each community mental health board that serves the function of an ADAMHS board with regard to mental health services must include at least one person who has received or is 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 must include at least one person who has received or is receiving addiction services paid for by public funds. For both community mental health board and an alcohol and drug addiction services board, the bill eliminates the requirement that qualifying services be publicly funded.

Mental health and drug addiction services for returning offenders

(Section 751.110)

The bill requires, with an exception, that funds the Ohio Department of Mental Health and Addiction Services (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 the effective date of this provision of the bill ("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 exception is 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.

Planning for Ohio's Future Study Committee

(Section 703.10)

The bill creates the Mental Health and Addiction Services Planning for Ohio's Future Study Committee to review and make recommendations for improving access and dedicating consistent funding streams to Ohio's mental health and addiction services programming.

The Committee must do all of the following:

(1) Review evidence of the correlation between effective, efficient, and evidence-based behavioral health programming and cost savings to Ohio;

(2) Identify existing best practices for improving consumer access to mental health and addiction services programming;

(3) Recommend a five-year vision that Ohio should adopt relating to mental health and addiction services and programming essential to help consumers lead safe, healthy, and productive lives in the community and financial strategies to sustain Ohio's mental health and addiction services system over time to create a state funding stream that is constant and does not fluctuate with every state budget proposal;

(4) Ensure that all recommendations adhere to state and federal law;

(5) Prepare a report of its findings and recommendations and submit that report to the Governor and General Assembly not later than December 31, 2014.

The Committee ceases to exist upon submission of the report.

Committee membership and administration

The Committee consists of the following members:

(1) The Director of Job and Family Services or the Director's designee;

(2) The Medicaid Director or the Director's designee;

(3) The ODMHAS Director or the Director's designee;

(4) The Director of Health or the Director's designee;

(5) The Director of Rehabilitation and Correction or the Director's designee;

(6) The Director of Youth Services or the Director's designee;

(7) The Attorney General or the Attorney General's designee;

(8) The Chief Justice of the Ohio Supreme Court or the Chief Justice's designee;

(9) The Executive Director of the Ohio Commission on Minority Health;

(10) The Superintendent of Public Instruction or the Superintendent's designee;

(11) One executive director of an ADAMHS district, selected by the directors of the six ODMHAS regional psychiatric hospitals, to represent the six regional psychiatric hospitals;

(12) One representative from each of the following organizations, appointed by the organization's chief executive officer or the individual serving in an equivalent capacity for the organization:

- The Association of Ohio Health Commissioners, Incorporated;
- The County Commissioners' Association of Ohio;
- The Mental Health and Addiction Advocacy Coalition;
- The Multiethnic Advocates for Cultural Competence, Incorporated;
- The National Alliance on Mental Illness (NAMI) Ohio;
- The National Association of Social Workers Ohio Chapter;
- The Ohio Alliance of Recovery Providers;
- The Ohio Association of Community Health Centers;
- The Ohio Association of County Behavioral Health Authorities;
- The Ohio Association of Health Plans;
- The Ohio Children's Hospital Association;
- Ohio Citizen Advocates for Addiction Recovery;
- The Ohio Council of Behavioral Health and Family Services Providers;

- The Ohio Empowerment Coalition;
- The Ohio Hospital Association;
- The Ohio Psychiatric Physicians Association;
- The Ohio Psychological Association;
- The Ohio Suicide Prevention Foundation.

The bill requires appointments to be made not later than 15 days after the provision's effective date. Any vacancies must be filled in the same manner as original appointments. The Committee must convene not later than 30 days after the provision's effective date. Committee members serve without compensation or reimbursement for expenses incurred while serving on the Committee.

The bill requires the Legislative Service Commission to provide administrative support to the Committee.

Nursing facility preadmission screenings for individuals with mental illness

(R.C. 5119.40, 5119.401, 5165.03, and 5165.031)

The Preadmission Screening and Annual Resident Review (PASRR) system 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, an intellectual disability, or both, (2) be offered the most appropriate setting for their needs, and (3) receive the services they need in that setting.[43]

State law, with certain exceptions, requires ODMHAS to determine in accordance with the federal law governing the PASRR system whether an individual with mental illness seeking admission to a nursing facility requires, because of the individual's physical and mental condition, the level of services provided by a nursing facility and, if the individual requires that level of services, whether the individual requires specialized services for mental illness.

Generally, a preadmission screening is not required for (1) an individual seeking readmission to a nursing facility after having been transferred from a nursing facility to

[43] 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.

a hospital for care or (2) an individual who is admitted to a nursing facility directly from a hospital after receiving inpatient care at the hospital if the individual requires nursing facility services for the condition for which the care in the hospital was received and the individual's attending physician has certified, before the individual's admission to the nursing facility, that the individual is likely to require less than 30 days of nursing facility services. However, current law requires that a preadmission screening be conducted for such an individual if the hospital from which the individual is transferred or directly admitted to a nursing facility is either (1) maintained, operated, managed, and governed by ODMHAS or (2) a freestanding hospital, or unit of a hospital, licensed by ODMHAS.

The bill provides that an individual with a mental illness is not required to undergo a preadmission screening before being admitted or readmitted to a nursing facility that is licensed for this purpose by ODMHAS even though the hospital from which the individual is transferred or directly admitted to the nursing facility is maintained, operated, managed, and governed by ODMHAS or is a freestanding hospital, or unit of a hospital, licensed by ODMHAS. ODMHAS is to issue a license to a nursing facility for this purpose if the nursing facility (1) has a medical director who is a psychiatrist, (2) provides specialized services for mental illness, (3) does not restrict admissions to individuals with mental illness, and (4) meets all other requirements the ODMHAS Director is to specify in rules.

A nursing facility with such a license is permitted to provide for an individual who is admitted to the nursing facility, pursuant to this provision of the bill, to undergo a resident review conducted by a case manager who does not have a direct or indirect affiliation or relationship with the nursing facility. Such a resident review is to be conducted every 30 days and in accordance with federal law governing the PASRR system. An individual who undergoes the resident review is not also required to undergo a review and determination that ODMHAS, pursuant to current law, would otherwise conduct.

ODMHAS medical records

(R.C. 3701.74)

General records release law

The bill excludes ODMHAS medical records from the general provision requiring the production of medical records upon request, if the release of those records is covered by ODMHAS Law.

That general provision permits a patient, a patient's personal representative, or an authorized person (requestor) to examine or obtain a copy of part or all of a medical record in the possession of a health care provider. To be proper, the request must meet all of the following criteria:

- Be submitted to the health care provider;
- Be a written request, signed by the requestor, and dated not more than one year before the date on which it is submitted;
- Include sufficient information to identify the record requested;
- Indicate whether the copy is to be sent to the requestor, physician or chiropractor, or held for the requestor at the office of the health care provider.

Within a reasonable time after receiving a proper request, the health care provider that has the patient's medical records must permit the patient to examine the record during regular business hours without charge or, on request, provide a copy of the record. But, if a physician or chiropractor who has treated the patient determines for clearly stated treatment reasons that disclosure of the requested record is likely to have an adverse effect on the patient, the health care provider must provide the record to a physician or chiropractor designated by the patient. The health care provider must take reasonable steps to establish the identity of the person making the request to examine or obtain a copy of the patient's record.

If a health care provider fails to furnish a medical record as required, the requestor may bring a civil action to enforce the patient's right of access to the record.

ODMHAS records release law

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.[44]

Generally, all records and reports identifying a person and pertaining to the person's mental health condition, assessment, provision of care or treatment, or payment for assessment, care, or treatment that are maintained in connection with any services certified by ODMHAS or specified providers licensed or operated by ODMHAS must be kept confidential and must not be disclosed. The ODMHAS Mental

[44] R.C. 5119.27 and 5119.28, not in the bill

Health Records Release Law contains exceptions to the general confidentiality provisions. Those exceptions are as follows:

- If the person identified in the record, or the person's guardian or parent if the person is a minor, consents.
- When disclosure is permitted by other state and federal laws.
- Hospitals, boards of alcohol, drug addiction, and mental health services, licensed facilities, and community mental health services providers may release information to insurers or other third-party payers.
- Pursuant to a court order.
- A person may be granted access to their own medical records unless otherwise restricted.
- ODMHAS may exchange records with specified entities for limited purposes.
- A family member involved in the provision, planning, and monitoring of services to the person may receive certain information.
- The executor or an administrator of the estate of a deceased person.
- Information may be disclosed to the staff of the appropriate board or ODMHAS to determine the quality, effectiveness, and efficiency of care. Such information must not have any person's name on it.
- Records pertaining to a person's diagnosis, course of treatment, treatment needs, and prognosis must be disclosed to the appropriate prosecuting attorney or attorney retained for involuntary commitment proceedings.

The custodian of the records must attempt to get a person's consent prior to disclosure of certain records.

Similarly, records or information pertaining to the identity, diagnosis, or treatment of any person seeking or receiving services that are maintained in connection with the performance of any drug treatment program or services licensed by, or certified by, ODMHAS must be kept confidential. This confidentiality provision is subject to the following exceptions:

- If the person with respect to whom the record is maintained consents or is deemed to have consented;

- Disclosure of a person's record may be made without the person's consent to qualified personnel for specified purposes;

- Upon the request of a prosecuting attorney or the Director of ODMHAS if certain criteria are met.

Charge-back to mentally ill person's county of residence

(R.C. 5122.36)

The bill 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, 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 bill 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, but not limited to, the Board of Alcohol, Drug Addiction, and Mental Health Services of Franklin County (ADAMHS) or the Franklin County Board of Developmental Disabilities in current law. It 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 the ADAMHS or DD boards. These services include the establishment and management of adult guardianships and associated expenses for wards under the care of other guardianships in addition to ADAMHS of Franklin County or the Franklin County DD Board.

Guardianship service and Guardianship Service Board

The bill authorizes the moneys in the Fund that may be used in part for the establishment and management of adult guardianships under current 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 ADAMHS of Franklin County. The term of appointment of each member is four years. The bill 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 compensation of the director 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 of the Board, 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 bill corrects a reference to ODMHAS.

- Establishes the State Recreational Vehicle Fund Advisory Board to advise the Department of Natural Resources regarding use of state recreational vehicle money and to study the feasibility of establishing a grant program to fund recreational vehicle projects.

State Recreational Vehicle Fund Advisory Board

(R.C. 1541.50)

Purpose

The bill creates the State Recreational Vehicle Fund Advisory Board consisting of seven members serving staggered three-year terms. The Board is charged with providing advice to the Department of Natural Resources regarding the use of State Recreational Vehicle Fund money. The Board also must study the feasibility of establishing a grant program to fund recreational vehicle projects on both public and private lands.

Not later than one year after the bill's effective date, the Board must issue a report of its findings and recommendations to the Director of Natural Resources, the President and Minority Leader of the Senate, the Speaker and Minority Leader of the House of Representatives, and the chairperson and the ranking minority member of the committees of the House and Senate with primary responsibility over natural resources.

Board membership

Not later than 60 days after the bill's effective date, the Director must appoint all of the following members to the Board:

(1) Two members representing snowmobile users;

(2) Two members representing all-purpose vehicle users;

(3) Two members representing off-highway motorcycle users;

(4) One member representing power sport dealers.

After the initial appointments, the Director must appoint members of the Board in consultation with the following:

(1) A list of candidates provided by a recognized statewide organization representing snowmobile users if the member being appointed will replace a member who represents snowmobile users;

(2) A list of candidates provided by a recognized statewide organization representing all-purpose vehicle users if the member being appointed will replace a member who represents all-purpose vehicle users;

(3) A list of candidates provided by a recognized statewide organization representing off-highway motorcycle users if the member being appointed will replace a member who represents off-highway motorcycle users; and

(4) A list of candidates provided by a recognized statewide organization representing power sport dealers if the member being appointed will replace a member who represents power sport dealers.

OPPORTUNITIES FOR OHIOANS WITH DISABILITIES AGENCY

- Includes the Opportunities for Ohioans with Disabilities Agency within the scope of the Office of Health Transformation Law.
- Creates a workforce integration task force within the Agency.
- 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.
- Specifies that the chairperson continues in office after the chairperson's term expires until the successor chairperson takes office.
- Requires the Executive Director of the Agency to provide the Council with an executive secretary, and with meeting space, office furniture, and equipment.

Office of Health Transformation

(R.C. 191.01)

The bill includes the Opportunities for Ohioans with Disabilities Agency within the scope of the Office of Health Transformation.

Workforce integration task force

(Section 751.20)

The bill 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 bill 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.

The bill 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 current law, a chairperson is appointed annually and may succeed himself or herself only once as chairperson. The bill specifies that the chairperson continues in office after the chairperson's term expires until the chairperson's successor takes office.

The bill requires the Executive Director of the Agency to provide the Council with an executive secretary, and with meeting space, office furniture, and equipment that are necessary for the Council to fulfill its duties. Under current law, the Executive Director is required to provide the Council with an executive secretary and other personnel as determined advisable.

- Authorizes an optometrist to continue to employ, apply, administer, or prescribe an analgesic drug that is currently in the narcotics-narcotic preparations category of schedule III controlled substances, even if the drug is subsequently transferred to a different schedule or category.

Analgesic controlled substances included in the practice of optometry

(R.C. 4725.01 and 4725.091)

The bill allows an optometrist to continue to employ, apply, administer, or prescribe an analgesic drug that is currently in the narcotics-narcotic preparations category of schedule III controlled substances, even if the drug is subsequently transferred to a different schedule or category by the General Assembly, by rule of the State Board of Pharmacy, or under the federal drug abuse control laws. Under current law, the State Board of Optometry, in consultation with the State Board of Pharmacy, is required to adopt rules authorizing a licensed optometrist who holds a therapeutic pharmaceutical agents certificate to employ, apply, administer, and prescribe analgesic drugs that are currently classified as schedule III controlled substances in the narcotics-narcotic preparations category. The bill prevents the transfer of those drugs to a different schedule or category from removing an optometrist's authority to employ, apply, administer, or prescribe those drugs. To allow for continued authorization in the event of a transfer, general references to "schedule III controlled substances" in current law are changed to "analgesic drugs that are controlled substances."

STATE BOARD OF PHARMACY

OARRS changes

- Beginning April 1, 2015, establishes several 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.

- Establishes several exceptions from the required review of an OARRS report, including drugs prescribed to hospice or cancer patients, drugs to be administered in hospitals or long-term facilities, drugs to treat acute pain from surgery or a delivery, and drug amounts for use in seven days or less.

- Beginning January 1, 2015, requires that prescribers, 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.

Other provisions

- Changes to April 1 (from January 1) the beginning of the 12-month licensing period that applies to terminal distributors of dangerous drugs.

- Extends the expiration date of existing licenses to correspond with the new licensing period.

- 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.

- Requires, beginning April 1, 2015, that certain business entities currently exempt hold a terminal distributor license to possess and distribute dangerous drugs that are compounded or used for the purpose of compounding.

Ohio Automated Rx Reporting System (OARRS)

(R.C. 4121.443, 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 in OARRS

Beginning April 1, 2015, the bill establishes several conditions related to a prescriber's use of information available from the Ohio Automated Rx Reporting System (OARRS). The conditions apply to a prescriber 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. The bill does not define opioid analgesic or benzodiazepine.[45]

The bill 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 bill requires the prescriber to make periodic requests for patient information from OARRS until the course of treatment ends. Such requests must be made at intervals not exceeding 90 days.

The bill also requires the prescriber to assess the information in the OARRS report on receipt of the report and to document in the patient's record that the report was received and assessed.

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[45] An opioid is a medication that relieves pain. It reduces the intensity of pain signals reaching the brain and affects those brain areas controlling emotion. *See* National Institute of Drug Abuse, *Prescription Drugs: Abuse and Addiction, What are opioids?*, available at www.drugabuse.gov/publications/research-reports/prescription-drugs/opioids/what-are-opioids. A benzodiazepine is a depressant prescribed to relieve anxiety and sleep problems. Valium and Xanax are among the most widely prescribed benzodiazepines. *See* National Institute of Drug Abuse, *Prescription Drugs: Abuse and Addiction, Glossary*, available at www.drugabuse.gov/publications/research-reports/prescription-drugs/glossary.

Prescribers subject to the bill

The bill applies to the following prescribers: 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.

Prescriptions issued in other states

The bill 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. The bill does not define the phrase "practices primarily."

Exceptions to OARRS review

The bill establishes several exceptions from the required review of an OARRS report. These include all of the following:

(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 by a physician to treat acute pain resulting from a surgical or other invasive procedure or a delivery.

Disciplinary action

The bill authorizes the following boards to discipline prescribers for failure to request patient information in OARRS as required by the bill: the State Dental Board, the Board of Nursing, the State Board of Optometry, and the State Medical Board. (The State Medical Board is responsible for the licensure of both physician assistants and physicians.)

Required access to OARRS

The bill requires that each prescriber who prescribes or personally furnishes opioid analgesics or benzodiazepines, as well as pharmacists, obtain access to OARRS not later than January 1, 2015. The bill's requirement does not apply if the State Board of Pharmacy has restricted the professional from obtaining information from OARRS or no longer maintains OARRS. Failure to obtain access to OARRS by January 1, 2015, constitutes grounds for license or certificate suspension.

License renewals

Beginning January 1, 2015, the bill requires that each prescriber who prescribes or personally furnishes opioid analgesics or benzodiazepines, when renewing a license or certificate, certify to the board responsible for licensure or certification that the professional has been granted access to OARRS. The bill also specifies that, if the prescriber certifies to the relevant 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.

The bill's requirement regarding license or certificate renewals does not apply if the State Board of Pharmacy (1) has notified the relevant board that the professional has been restricted from obtaining further information from OARRS (see "**State Board of Pharmacy notification**," below or (2) no longer maintains OARRS).

In the case of a pharmacist who has applied for license renewal, the bill adds to the existing renewal eligibility requirements a provision that requires the applicant to have been granted access to OARRS.

Restricting access to OARRS

The bill specifies that the State Board of Pharmacy may 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. Current law permits the Board to restrict a person from obtaining further information under certain circumstances, including the following: (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.

The bill also specifies that the Board may restrict a person from obtaining information from OARRS after providing notice and affording an opportunity for hearing in accordance with the Administrative Procedure Act (R.C. Chapter 119.).

The bill does permit the Board, if it determines that the allegations regarding a person's actions warrant restricting the person from obtaining further information from OARRS without a prior hearing, to summarily impose the restriction. The bill 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 bill also provides that a summary restriction remains in effect, unless removed by the Board, until the Board's final adjudication order becomes effective.

The bill 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.

OARRS and certain workers' compensation claimants

The bill requires that the Board provide to the medical director of a managed care organization (MCO) an OARRS report relating to a workers' compensation or other claimant assigned to the MCO, if the Administrator of Workers' Compensation confirms, upon 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 bill provides that a contract between the Workers' Compensation Administrator and an MCO must include a requirement that the MCO enter into a data security agreement with the Board.

OARRS and the Administrator of Workers' Compensation

The bill requires, rather than permits as under current 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.

OARRS and opioid dependent infants

The bill 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.

Licensing period for terminal distributors of dangerous drugs

(R.C. 4729.54; Section 747.10)

The bill changes the beginning date of the 12-month licensing period that applies to terminal distributors of dangerous drugs to April 1. Under current law, the beginning date of the licensing period is January 1. The bill also changes the due date for an application for renewal of the license to March 31. Under current law, the due date is December 31. Similarly, the bill changes the date after which a $55 penalty fee must be paid in addition to the renewal fee for license reinstatement from February 1 to May 1.

To correspond with the new licensing period, the bill specifies that a license that is valid on the effective date of the bill will remain effective until April 1, 2015, unless earlier revoked or suspended.

Imposing charges for the establishment and maintenance of OARRS

(R.C. 4729.65 and 4729.83)

The bill 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. Under current law, the Board is prohibited from imposing a charge on terminal distributors of dangerous drugs, pharmacists, and prescribers for the establishment or maintenance of OARRS. The bill specifies, however, that the Board may not increase the licensing or registration fees solely for that purpose. Additionally, the bill retains current law that prohibits the Board from imposing an OARRS fee on prescribers.

Terminal distributor license – compounded drugs

(R.C. 4729.54 and 4729.541)

Beginning April 1, 2015, certain business entities must hold a terminal distributor license to possess, have custody or control of, and distribute dangerous drugs that are compounded or used for the purpose of compounding. Under current law, business entities are exempt from holding a terminal distributor license if each shareholder, member, and partner is a licensed health professional authorized to prescribe drugs and authorized to provide the professional services offered by the entity. These business entities include corporations, limited liability companies, partnerships, limited liability partnerships, and professional associations.[46] The bill requires these previously exempt

[46] R.C. 4729.51(B)(1)(j) and (k), not in the bill.

entities to obtain a terminal distributor license from the State Board of Pharmacy to possess, have custody or control of, and distribute dangerous drugs that are compounded or used for the purpose of compounding.

- 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 and requires that the following fees be deposited into the 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 Public Safety, in consultation with the Department of Administrative Services 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.

Local indigent drivers alcohol treatment, interlock, and monitoring funds

(R.C. 4511.191)

Indigent drivers alcohol treatment funds

The bill 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. Under current law, a

county, juvenile, or municipal court judge may 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 a person who meets all of the following requirements: (1) the person is 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, (2) the person is ordered by the court to attend an alcohol and drug addiction treatment program, and (3) the person is 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. Under the bill, a judge may 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.

The bill defines "indigent person" as a person who meets all of the requirements set out in current law above.

The bill also expands the permissible uses of moneys from such funds in the event a surplus is declared. Under current law unchanged by the bill, 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 bill 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 bill 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 current law, unchanged by the bill, 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 bill 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. Current law requires 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 bill authorizes an optometrist to 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. Thus, the optometrist may 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 bill 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 current law. Optometrist is defined under the bill to mean a person who is licensed to engage in the practice of optometry under the Optometry Licensing Law. The bill also makes organizational changes and removes references to "parking cards" which are no longer issued.

Under current 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 current law to mean a physician, physician assistant, advanced practice registered nurse, or chiropractor.

Multi-agency Radio Communications System (MARCS) user fees

(Section 745.20)

The bill requires the Department of Public Safety, in consultation with the Department of Administrative Services 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 existing 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 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 current law).

- Grandfathers in certification applications that have been found by the Chairperson of the Power Siting Board to be in compliance with application requirements before the bill's effective date.

Limitation on motor carrier law compliance exemptions

(R.C. 4923.02)

The bill provides that existing 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 bill 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).[47]

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

[47] R.C. 1509.01(Z) and (GG) and 4905.90(D) and (M).

certification from, or a pipeline safety agreement with, the Secretary governing those 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.[48]

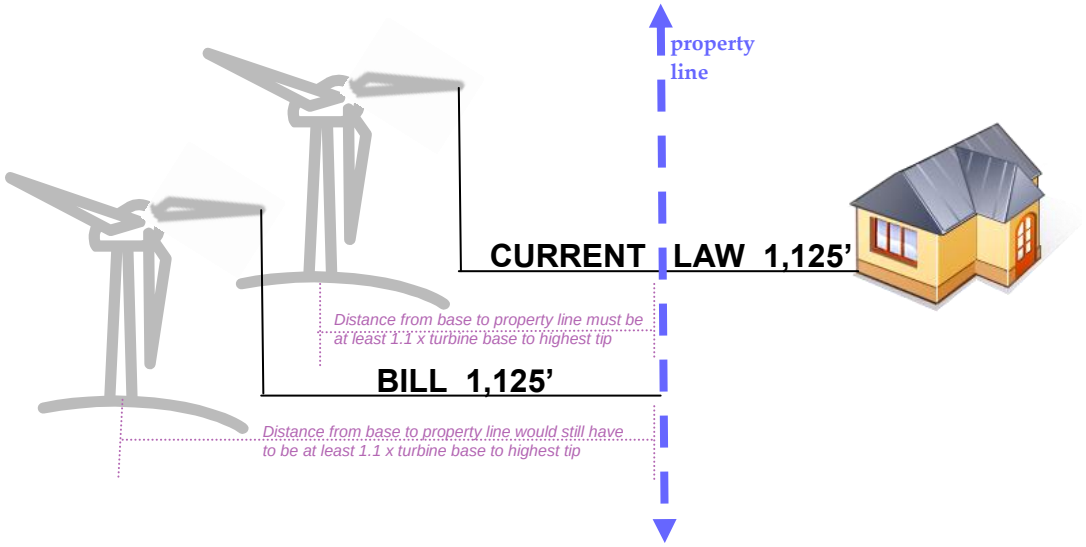
Wind turbine setback

(R.C. 4906.20 and 4906.201)

The bill 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 certification application. Current law requires 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 bill also establishes a grandfather provision that states that any certification application found by the Chairperson of the Board to be in compliance with Ohio law governing Power Siting applications prior to the bill's effective date is to be subject to the measurement from the nearest, habitable, residential structure.

Under continuing law, there are actually two minimum setbacks for wind turbines: (1) the 1,125-foot-minimum setback measured from the turbine *blade*, affected by the bill as discussed above, and (2) a setback measured from the turbine *base*, unchanged by the bill. The setback measured from the turbine base requires a minimum setback distance from the 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 bill to the 1,125-foot-minimum setback:

[48] 49 C.F.R. Part 192, Subpart C.


property line
CURRENT LAW 1,125'
Distance from base to property line must be at least 1.1 x turbine base to highest tip
BILL 1,125'
Distance from base to property line would still have to be at least 1.1 x turbine base to highest tip

- 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 bill 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 bill 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 bill also changes language regarding policies that the Commission is required to establish. Under current law, the policies are required to provide for "proper penalties, including grant repayment" for the entities that fail to comply with the long-term ownership or control requirements. The bill 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.[49]

[49] R.C. 164.22, not in the bill.

RETIREMENT

STRS alternative retirement program mitigating rate

- Provides that the percentage of an alternative retirement program (ARP) participant's compensation paid by a public institution of higher education to the State Teachers Retirement System (STRS) to mitigate any financial impact of an ARP on STRS cannot exceed 4.5% of the participant's compensation, and that the limit is effective until July 1, 2015.

- Requires the Ohio Retirement Study Council 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 alternative retirement program mitigating rate

(Section 752.10)

The bill temporarily limits the percentage of an alternative retirement program (ARP) participant's compensation paid by a public institution of higher education to the State Teachers Retirement System (STRS) to mitigate any financial impact of an ARP on STRS.

Current 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), State Teachers Retirement System (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.

Current law requires a public institution of higher education to 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.

Current law specifies that the ARP mitigating rate is 6%, but may be adjusted by the Ohio Retirement Study Council (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%. Current law also specifies that the mitigating rate for ARPs cannot exceed the mitigating rate for the retirement system's defined contribution plan. The mitigating rate for the STRS defined contribution plan is 4.5%.

The bill 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 bill 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 and 9.91)

Current 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[50] stock to provide retirement benefits. These benefits are in addition to benefits from a state retirement system. The bill 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. Under current law, the stock may be purchased only from persons who are authorized to sell the stock in Ohio.

With regard only to deferred compensation programs of public institution of higher education, the bill permits the institution to choose providers of an annuity or custodial account as an alternative to permitting employees to choose providers. Current law gives the employee the right to designate the provider through which the institution arranges for the placement or purchase of a tax-sheltered annuity. Under the bill 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 bill permits the institution to enter into an agreement with the provider 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.

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[50] "Regulated investment company" is not defined for purposes of this provision. However, it is defined elsewhere as a mutual fund, real estate investment trust, or unit investment trust that meets conditions of the Internal Revenue Code that permit it to pass the taxes on capital gains, dividends, or interest on fund investments directly to investors, www.investopedia.com/terms/r/ric.asp.

If an institution permits an employee to designate a provider, the bill 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. (Currently the institution may require the designee to execute a reasonable agreement protecting the institution from liability attendant to procuring the annuity.)

(2) Similar to current 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 bill specifies that designation as a provider of a tax-sheltered annuity prior to this provision's effective date does not give a licensed agent, broker, or company a right to be selected under the bill as a provider of an annuity contract or custodial account at a public institution of higher education. However, that agent, broker, or company remains a provider until another provider is selected under the bill.

- 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 current law, include the phrase "paid for by" followed by 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 phrase "paid for by" followed by 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 bill 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 bill, all entities must include the phrase "paid for by" followed by the name of the entity in their political publications and communications. Continuing law requires a candidate, legislative campaign fund, or campaign committee to include that phrase 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 bill 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 bill requires an entity that issues a political radio or television communication to include the phrase "paid for by" followed by the name of the entity.

Finally, the bill 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 currently 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 existing limitations on the maximum amount of credit allowed.

- Increases the income tax deduction for business income from 50% to 75% of that income for taxable years beginning in 2014 only, with a maximum allowable deduction of $187,500 (or $93,750 for a spouse filing separately).

- Requires municipal corporations levying an income tax to certify to the Tax Commissioner each year the amount of income tax revenue collected by the municipal corporation from resident and from nonresident individuals.

- Limits the right to initiate a property tax complaint to the property owner, the owner's spouse, certain agents of the owner or spouse, or the recorder of the county in which the property is located.

- Requires 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 for property subject to taxation before tax year 2014.

- Exempts from taxation property used for public purposes and belonging to an LLC owned by a charitable or educational institution that is formed for the sole purpose of qualifying for federal or state tax credits for rehabilitating historic buildings.

- 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.

- Requires the Superintendent of Real Estate and Professional Licensing to adopt administrative rules governing the qualifications of mass appraisal project managers.

- 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.

- Allows 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, 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 current cap of $5 million, but limits the owner of the catalytic project to claiming only $5 million of the total certificate amount per year.

- 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.

- Authorizes 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.

- 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 bill accelerates the phase-in of a 10% income tax rate reduction previously not scheduled to be in full effect until the 2015 taxable year. In 2013, the General Assembly enacted the 10% reduction, which is to be phased-in over three years. Under the phase-in, tax rates that were in effect in 2012 are 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 bill accelerates the phase-in by applying the full 10% reduction to the 2014 taxable year and 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. Currently, the personal exemption amount is $1,700.

The bill 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 bill specifies that inflation-indexing of the new exemption amounts will begin in 2016.

Earned income tax credit

(R.C. 5747.71)

The bill 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 current 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 bill'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 bill's proposed income tax rate reduction and increased personal exemption amounts.

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

(Section 757.80)

The bill increases the existing income tax deduction for business income from 50% to 75% of that income for a taxpayer's taxable year beginning in 2014 only, with a maximum allowable deduction of $187,500 (or $93,750 for a spouse filing separately).

Under current law, the maximum allowable deduction is $125,000 ($62,500 for spouses filing separately). 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.

The deduction percentage reverts to 50% for taxable years beginning after 2014, and the maximum deduction reverts back to $125,000 ($62,500 for spouses filing separately) for those years.

As under current law, the deduction does not affect the school district income tax base.

Municipal income tax revenue disclosure

(R.C. 5747.50)

The bill requires municipal corporations levying an income tax to certify to the Tax Commissioner the amount of income tax revenue collected by the municipal corporation from resident and from nonresident individuals in the preceding calendar year, in addition to the total revenue collected in that year, which municipal corporations are required to certify under continuing law. The new certifications, as with continuing law's certification, must be made before September 1 of each year. The bill requires the Commissioner to post all municipal income tax information the Commissioner receives on the Department of Taxation's website.

As with continuing law's certifications, the bill authorizes the Commissioner to withhold direct disbursements a municipal corporation would have received from the Local Government Fund (LGF) if the municipal corporation does not timely make the new certifications. Under continuing law, a percentage of revenue credited to the LGF is paid directly to municipal corporations that levied an income tax in 2007.

Property tax complaints

(R.C. 307.699, 3735.67, 5715.19, 5715.27, and 5717.01)

The bill limits the right to initiate a property tax complaint to the property owner, the owner's spouse, certain agents of the owner or spouse, or the recorder of the county in which the property is located. School boards, county commissioners, a county prosecuting attorney or treasurer, township trustees, and municipal corporations would be authorized to file property tax complaints only as counterclaims to complaints filed by the property owner, the owner's spouse, or an agent of the owner or spouse. The bill

prohibits any person, board, officer, or other entity from compelling a county recorder to initiate a property tax complaint.

Continuing law authorizes complaints to be filed challenging several kinds of property tax determinations, including a property's value for tax purposes or its classification as residential/agricultural or commercial/industrial for "H.B. 920" tax reduction purposes, as agricultural property eligible for current agricultural use valuation (CAUV), or as nonbusiness property eligible for the 10% rollback. Complaints also may challenge recoupment charges imposed for conversion of CAUV land to nonagricultural use. Complaints are heard before the county board of revision. The vast majority of property tax complaints challenge a property's value. According to the fiscal year 2013 annual report of the Ohio Board of Tax Appeals, about 90% of appeals taken to the BTA regarded valuation.

The principal difference between the bill and current law is that, under the bill, only the property owner, the owner's spouse, an agent of the property owner or owner's spouse, or the county recorder may file an original complaint. Under current law, a school board, a board of county commissioners, a county prosecuting attorney or treasurer, a board of township trustees, or a municipal corporation may initiate a complaint, but under the bill they may not challenge the valuation of property unless an original complaint has been filed by the property owner, spouse, or recorder.

Continuing law requires the county auditor to notify the school district where the property is located that a complaint has been filed. The school board may then respond to the complaint to support or oppose the underlying decision. This response is labeled a "complaint," but it is not prohibited by the bill.

Water-works company tangible personal property tax assessment

(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 bill lowers 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. The assessment rate for property subject to taxation before tax year 2014 remains at 88%.

Property tax exemption: property belonging to an LLC owned by a charitable organization

(R.C. 5709.121 and 5713.08)

The bill exempts from taxation historic buildings owned by an LLC whose sole purpose is to rehabilitate the building using funds from a federal or state tax credit authorized for the rehabilitation of historic buildings. Continuing law establishes a refundable credit against the income tax, financial institution tax, and insurance company gross premiums tax equal to 25% of qualified expenditures made for rehabilitating a building of historical significance in accordance with preservation criteria as determined by the State Historic Preservation Officer. Federal law offers a similar nonrefundable credit generally equal to 20% of such expenditures.

The bill's exemption applies to historic structures listed on the National Register of Historic Places or certified as being of historic significance to a registered historic district. To qualify for the exemption, the building must be owned or, under certain situations, leased by a limited liability company (LLC), provided the property is used exclusively for charitable or public purposes by the state, a local government, or a charitable or education institution pursuant to a lease or other arrangement with the LLC. Additionally, each of the following must apply with respect to that LLC ("qualifying LLC"):

- According to the LLC's article of incorporation, its sole purpose is to rehabilitate the property using revenue received from a federal or state tax credit authorized for the rehabilitation of historic buildings.
- The LLC must have a single managing member that is a charitable or educational institution.
- The LLC's single managing member must diligently pursue the rehabilitation of that property using revenue from the state or federal historic building rehabilitation tax credit.

To qualify for the exemption as a lessee, the LLC must be a "qualified lessee" –a person subject to a lease agreement for a historic building and eligible for the federal rehabilitation tax credit.[51]

Once granted, the exemption will continue to apply until the tax year that includes the end of the thirteenth month after the later of one of the following dates:

- The date the Tax Commissioner issues a certificate authorizing the LLC to claim a state historic rehabilitation credit.

- The last day of the period after which the LLC is not compelled to repay a federal historic rehabilitation credit for disposal of the historic property.[52]

The bill prohibits a county auditor from removing property from the list of tax-exempt property if property is conveyed to a qualifying LLC, provided the property is eligible for the exemption described above. Additionally, the bill prohibits a county auditor from removing property from the list if the property had been receiving the exemption but was transferred to the charitable or educational institution that owns the qualifying LLC. Presumably, in that case, the property would continue to be exempt under a separate exemption provided under continuing law for property used for a public or charitable purpose.

Property tax exemption for organ and blood donation organizations

(R.C. 5709.12; Section 757.50)

The bill 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 the organization's property is used exclusively for receiving, processing, distributing, researching, or developing human blood, tissues, eyes, or organs. The exemption applies beginning in tax year 2014.

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[51] The federal rehabilitation tax credit is available to lessees based on qualified rehabilitation expenditures so long as the remaining term of the lease, determined on the date that rehabilitation is completed without regard to any renewal periods, is greater than the federal income tax cost recovery period determined. The federal recovery period is 39 years for nonresidential real property and 27.5 years for residential rental real property. 26 U.S.C. 47.

[52] Federal law requires a recipient of the federal credit to repay all or a portion of a claimed credit if the taxpayer disposes of the property that is the subject of the credit. This "recapture period" applies until five full years after the rehabilitation of the historic building is complete. 26 U.S.C. 50.

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 bill 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.

Temporary historic rehabilitation CAT credit

(Section 757.20)

The bill 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 July 2015 and the owner is not able to claim the credit against another tax ("qualifying certificate owner").

Continuing law establishes the historic building rehabilitation tax credit, which is a refundable credit equal to 25% of the qualified expenditures made for rehabilitating a building of historical significance in accordance with preservation criteria as determined by the State Historic Preservation Officer. A person seeking the credit is required to apply to the Director of Development Services, who evaluates the application and may approve a credit by issuing a tax credit certificate. 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 bill 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 bill 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 bill 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.

Lodging tax

For stadium improvements

(R.C. 133.07, 307.678, and 5739.09(A)(1) and (J))

The bill 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 bill'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.[53]

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).[54]

Under the bill, the county may 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 bill limits the amount of existing lodging tax revenue that the county may allocate to the stadium improvement project each year to $500,000. The bill 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;

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[53] On occasion, the General Assembly has authorized certain counties to levy additional lodging taxes for special purposes. Stark County has not received such an authorization.

[54] *See* www.starkcountyohio.gov/auditor/resources/lodging-tax.

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 bidding requirements.

For soldiers' memorial

(R.C. 5739.09(K))

The bill 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 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 within six months following the bill's effective date. The bill 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)

Current 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. Currently, the maximum certificate amount issued for a rehabilitation project is $5 million. The total amount of certificates issued per year may not exceed $60 million.

Credit for catalytic projects

The bill 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 the existing 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

Like the existing rehabilitation tax credit certificate, the 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 the bill's effective date but before December 31, 2014, and whose rehabilitation expenditures exceed $75 million.

Credit amount limit

Under the bill, a person issued a certificate for a catalytic project would be required to 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).

Authorized uses of TIF revenue

(R.C. 5709.40)

The bill 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 bill 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 an existing administrative rule governing prearranged vendor remittance agreements, such agreements are available only to licensed food service operations (e.g., restaurants and fast-food establishments).[55]

The bill modifies the prearranged vendor remittance agreement procedure as follows:

- Removes the requirement in current 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 current 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

[55] O.A.C. 5703-9-08.

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 current 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 current 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.

Disclosure of sales and use tax information to counties

(R.C. 5703.21)

The bill authorizes 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.

Currently, if the amount of a refund exceeds 25% of a local government's next distribution, the Commissioner may spread the recovery of the refund over multiple distributions made to the local government over the next 24 months. The bill extends this recovery period to 36 months.

- 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.

Local government participation in Department contracts

(R.C. 5513.01)

The bill allows the Director of Transportation to permit regional planning commissions, regional councils of government, or other specified 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 bill makes technical changes to the statute governing contracts entered into by the Director for the purchase of machinery, materials, supplies, and other articles.

Under current 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.

The Maritime Port Funding Study Committee

(Section 745.10)

The bill 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 the bill's effective date:

- 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;

- 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 the bill's effective date 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. The Legislative Service Commission must provide the legislative members of the Committee with technical and clerical staff as necessary for them to successfully and efficiently fulfill their duties as committee members.

- Permits state obligations issued to finance a transportation facility pursuant to a public-private agreement to have a maximum maturity date 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 bill 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. Currently, the Treasurer of State is authorized to issue obligations with a maximum maturity of 25 years from the date of issuance. The bill increases the maximum maturity for *certain* obligations. Under the bill, 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.[56]

Existing law specifies 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, are to be paid from the funds of the state infrastructure bank. The bill allows for those costs to be paid from another source if provided for in the bond proceedings.

Existing law also permits the Treasurer of State to additionally secure the obligations by a trust agreement or indenture between the Treasurer and a corporate trustee. The corporate trustee can be any trust company or bank having a place of business in Ohio. The bill 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.

[56] R.C. 5501.70, not in the bill.

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.

Child abuse or neglect

Report to State Highway Patrol

(R.C. 5139.12)

The bill 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 bill 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 bill 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 bill, 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 bill 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 bill 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 bill 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 bill, 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 bill 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 bill, 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 bill 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 bill 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 bill 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 current law, the court order has the effect of ordering DYS to assign the child to an institution under the control and management of DYS, but does not authorize DYS to place the child in a community corrections facility.

The bill eliminates a provision in Juvenile Court Law that prohibits a juvenile court, in the case of a child who is adjudicated a delinquent child, from making an order of disposition that places the child in a community corrections facility, if the court has committed the child to the legal custody of DYS for institutionalization or institutionalization in a secure facility and the child would be covered by the definition of a public safety beds in provisions of the Revised Code concerning the felony delinquent care and custody program.

The bill 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 community court is not required, under the bill, to approve the placement.

The bill 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 ongoing 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 bill 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. Ongoing law requires DYS to subtract a credit for a specified portion of chargeable bed days from the allocations determined under the formula. Under the bill, this includes a credit for every chargeable bed day *while a youth is in DYS custody*. The language in the bill would replace current language that requires DYS to subtract a credit for every chargeable bed day *a youth stays in a DYS institution*.

- 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.

- Specifies that such a franchise may include the right of a franchisee to provide transportation services for a county department of job and family services.

- 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.

- 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.

- Converts the judgeship of the Avon Lake Municipal Court from part-time to full-time.

- Requires a person who becomes a dog owner, keeper, or harborer after January 31 of any year to immediately register the dog for a period of one year or three years or register the dog permanently rather than registering the dog only for the current year as in existing law.

- Requires a dog owner, keeper, or harborer who does not register the dog by January 31 (or within 30 days of acquiring the dog after January 31) to pay a penalty equal to the one-year registration fee, rather than a penalty equal to the applicable registration fee.

- 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.

- Provides that a township or village financial planning and supervision commission terminates when the township or village dissolves.

County transit franchise agreements

(R.C. 306.04, 306.14, 307.863, and 307.982)

The bill eliminates two provisions of current law relating to franchise agreements for the operation of a county transit system. The first provision permits 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 permits either board to accept the assignment of and then supervise an existing franchise agreement for the operation of a county transit system. The bill replaces these two eliminated provisions with new provisions relating to county transit system franchise agreements.

Under the bill, 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. Those 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 under the bill 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 bill 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 bill, a "franchisee" may be an individual, corporation, or other entity that is awarded a franchise. A "franchise" means 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. For purposes of the county transit franchise provisions of the bill, the terms "applicant," "application for certification," "application for a franchise," "certification," "franchise," and "franchisee" all are defined terms.

Competitive bidding for awarding a franchise

The bill provides that, notwithstanding the current 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 bill. 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 bill contains 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;

(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 bill specifies that a family services duty or workforce development activity includes transportation services provided by a county transit board. The bill 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 bill converts the part-time judgeship of the Avon Lake Municipal Court to a full-time judgeship beginning on the bill's effective date. Under the bill, 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 and 955.05)

The bill requires a person who becomes a dog owner, keeper, or harborer after January 31 of any year to immediately register the dog for a period of one year or three years or register the dog permanently, rather than registering the dog only for the current year as in existing law. It also requires a dog owner, keeper, or harborer who does not register the dog by January 31 (or within 30 days of acquiring the dog after January 31) to pay a penalty equal to the one-year registration fee, rather than a penalty equal to the applicable registration fee, as in existing law. The applicable registration fee is the fee for a one-year or three-year registration or the fee for permanent registration.

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 bill 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.[57] The sub-acute detoxification services must include monitoring of such residents 24 hours a day by health care professionals.

Termination of financial planning and supervision commission for township or village

(R.C. 118.27)

The bill provides that, in the case of a township or village that is in fiscal emergency, the financial planning and supervision commission established for the

[57] 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, an 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.)

township or village terminates if the township or village dissolves. Current law provides that the commission only terminates when a county, township, or municipal corporation (i.e., a city or village) is doing or has done all of the following to the satisfaction of the Auditor of State or the commission: (1) plan and implement an effective financial accounting and reporting system, (2) correct and eliminate all fiscal emergency conditions, (3) meet the objectives of the established financial plan, and (4) prepare a five-year financial forecast.

MISCELLANEOUS

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.

Ohio Veterans Memorial and Museum

- Designates the Ohio Veterans Memorial and Museum, located in Franklin County, as the official state veterans memorial and museum.

- Provides that a new nonprofit corporation is to be organized for the purpose of operating the Ohio Veterans Memorial and Museum, and contemplates construction, development, and operation of the facility by another Ohio nonprofit corporation to which the facility may be leased without competitive bidding.

- Authorizes the Board of County Commissioners of Franklin County and the legislative leaders to appoint certain members to the board of directors of the new nonprofit corporation, but not to the other Ohio nonprofit corporation to which the facility may be leased for its construction, development, and operation.

- Authorizes "a board of county commissioners" to appropriate funds for permanent improvements and operating expenses of the Ohio Veterans Memorial and Museum, to either the new nonprofit corporation established under the bill or the Ohio nonprofit corporation with which the county has leased the facility and property.

Federal-Military Jobs Program

- Creates the Federal-Military Jobs Program and declares that it is the public policy of the state to assist in and facilitate the establishment or development of eligible federal-military projects and to assist and cooperate with any government agency in achieving that purpose.

- Establishes a nine-member Federal-Military Jobs Commission (FMJC) to develop and maintain an ongoing strategy for retention and growth of federal-military jobs and associated private jobs and to take necessary action to support the Federal-Military Jobs Program.

- Requires the FMJC to issue reports of its activities by January 31 each year to the Governor, Senate President, Senate Minority Leader, Speaker of the House, and House Minority Leader.

- Creates the Federal-Military Jobs Fund.

- Authorizes the Treasurer of State to purchase obligations of political subdivisions relating to a project approved by the FMJC and identified in an agreement between the Treasurer of State and the political subdivision to provide for their purchase.

Appropriations of property under Eminent Domain

- Under the Eminent Domain Law, increases from $10,000 to $25,000 the maximum amount a public agency that appropriates property must pay to a farm owner, nonprofit corporation, or small business for specified expenses necessary to reestablish the farm, nonprofit organization, or small business at its new site, or a displaced farm, nonprofit organization, or small business at its new site.

- Increases from $20,000 to $40,000 the maximum fixed amount such a public agency must pay to a person who is displaced from the person's place of business or farm operation in lieu of a reestablishment payment.

- Increases from $22,500 to $31,000 the maximum additional payment such a public 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 public agency must pay to a person who is displaced from a dwelling the person occupied for not less than 90 days prior to the initiation of negotiations for the acquisition of the dwelling to enable the person to lease or rent, for a period of not more than 42 months, 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.

Other provisions

- Specifies that students attending state universities are not public employees based upon participating in athletics for the state university.

- 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 museum is located.

- 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.

- 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.

- Authorizes a court to consider an additional motion for judicial rebate and to conduct an additional judicial rebate hearing for an eligible offender.

- 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.

- Authorizes the Lawrence County Board of County Commissioners and the Directors of Youth Services, Rehabilitation and Correction, and 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 as a jail.

- Specifies that if a portion of the Facility is used as a jail pursuant to such an 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, payment of costs, and potential liability, etc., as if it were a Lawrence County jail.

- 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.

- 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 current law.

- 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.

- Prohibits a peace officer who does not receive an hourly rate of pay or a salary from a law enforcement agency from issuing a citation for, or arresting any person for, a violation of Title 45 of the Revised Code, the motor vehicle law.

Ohio Constitutional Modernization Commission

(R.C. 103.63)

The bill 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. Under current law, the 12 General Assembly members must do this not later than January 1 of every even-numbered year.

The bill 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. Current law does not allow this. Member terms end on January 1 of even-numbered years.

Ohio Veterans Memorial and Museum

(R.C. 5.074 and 307.6910)

The bill provides that a new nonprofit corporation is to be organized for the purpose of *operating* a veterans memorial and museum at a designated site in Columbus

on property owned in fee simple by the Board of County Commissioners of Franklin County. The bill authorizes the Board of County Commissioners of Franklin County to lease the designated site, without engaging in competitive bidding, to "an Ohio nonprofit corporation" for the *construction*, *development*, and *operation* of the Ohio Veterans Memorial and Museum. Presumably, this contemplates the possibility of two different nonprofit corporations having the authority to operate the memorial and museum.

The bill states that the board of directors of the *new* nonprofit corporation must consist of 15 members, with all appointments to be made in accordance with the articles of incorporation and bylaws of the nonprofit corporation. All appointments to the board of directors must satisfy any qualifications set forth in the bylaws. The bill, provides, however, that a majority of the members of the board appointed by each appointing entity must be veterans of the U.S. armed forces. And, appointments must be made as follows: five members must be appointed by the Board of County Commissioners of Franklin County; three must be appointed by the Governor; one each must be appointed by the Speaker of the House and the President of the Senate; and the remaining five must be appointed as provided in the articles of incorporation, except that a majority of those members, like the others, must be veterans. There is no similar appointing authority for the board of county commissioners and the legislative leaders with regard to the other Ohio nonprofit corporation that may operate the facility after it is leased to the corporation.

The bill authorizes "a board of county commissioners" to appropriate funds, for permanent improvements and operating expenses, to either the new nonprofit corporation required to be established under the bill or the Ohio nonprofit corporation with which the Franklin County Board of County Commissioners has leased the property.

The meetings and records of the *new* nonprofit corporation are to be conducted and maintained in accordance with the Open Meetings and Public Records Law; there is no similar requirement for the Ohio nonprofit corporation that may operate the facility once it has been leased to it by the Board of County Commissioners of Franklin County.

The bill declares the Ohio Veterans Memorial and Museum located at the designated site to be the official state veterans memorial and museum.

Federal-Military Jobs Program

(R.C. 135.143, 193.01, 193.02, 193.03, 193.04, 193.05, 193.07, 193.09, 193.11, and 193.13)

The bill creates the Federal-Military Jobs Program and specifies that it must enhance, foster, and aid job creation and job preservation in connection with "eligible federal-military projects." Under the bill, "eligible federal-military projects" are facilities to be acquired, established, constructed, expanded, remodeled, rehabilitated, or modernized for the improvement, expansion, and development of federal-military installations and associated public and private sector investment. In addition, the projects are those that will create new jobs or preserve existing jobs and employment opportunities and improve the economic welfare of the people of Ohio.

The bill authorizes any government agency to enter into an agreement with the Federal-Military Jobs Commission, created under the bill and discussed below, any other government agency, or a person assisted under the Federal-Military Jobs Program, to take or provide any action relating to the establishment, development, or operation of an eligible federal-military project. Under the bill, "government agency" includes such entities as state departments, statewide elected officials, municipal corporations, counties or townships, political subdivisions or public corporations of the United States, and any entities established pursuant to an interstate compact or agreement. The bill requires government agencies of the state to cooperate with and provide assistance to the FMJC and the state Controlling Board for purposes of the bill.

State policy

The bill states that the General Assembly finds that the federal-military installations within the state (their presence and stability) create new jobs or preserve existing jobs and employment opportunities and improve the economic welfare of Ohioans. It also states that the installations materially contribute to regional economic stability.

The bill declares that, given the General Assembly findings, it is the public policy of the state to assist in and facilitate the establishment or development of eligible federal-military projects and to assist and cooperate with any government agency in achieving such purpose.

Federal-Military Jobs Commission (FMJC)

In a new chapter of law, the bill creates the Federal-Military Jobs Commission (FMJC) to develop and maintain an ongoing strategy for retention and growth of federal-military jobs and associated private sector jobs in Ohio.

FMJC duties

The bill specifies that the FMJC is responsible for the "furtherance and implementation" of federal-military installation jobs and investment programs and for implementing the Federal-Military Jobs Program. Duties of the FMJC include establishing criteria for and making financial assistance (loans, loan guarantees, and agreements) available to eligible federal-military projects. Criteria for evaluating proposals must be established by January 31, 2015, and may include, for example, such criteria as the total number of jobs created or preserved, the expected impact on employment in the surrounding region, the expressed support from the applicable federal agency with respect to the eligible federal-military project, the expected return on investment for the project, the number of participating entities in the proposal, the percentage of local matching funds available for the project, and if applicable, the federal or military value of the proposal and the operational value of the project for military purposes.

The bill also specifies that the FMJC must develop and implement plans for encouraging local support for the Federal-Military Jobs Program and for each eligible federal-military project that receives financial assistance from the FMJC.

The FMJC may adopt internal rules and policies to implement the Program and do FMJC work. In addition, the FMJC may perform other duties and all other necessary actions, including, for example, the following:

- After consultation with appropriate government agencies, enter into agreements with government agencies and persons engaged in industry, commerce, distribution, or research to induce such persons to develop, eligible federal-military projects and make provisions in the agreements for project facilities and governmental actions that are subject to General Assembly or Controlling Board action and subject to local regulation;

- Make loans, according to terms and conditions determined by the FMJC to be appropriate, to persons or government agencies to pay the allowable costs of eligible federal-military projects;

- Provide for, in connection with the Treasurer of State and according to terms and conditions determined by the FMJC, guarantees of loans or enhancement of obligations made for an eligible federal-military project;

- Retain the services of (or employ), and fix the compensation for, consultants, agents, and independent contractors as are necessary according to the FMJC;

- Receive and accept grants, gifts, and contributions of money, property, labor, and other things of value, and if applicable, deposit them into the Federal-Military Jobs Fund created by the bill (discussed below).

Prohibitions

Under the bill, the FMJC is not authorized to incur debt for the state or any political subdivision. The FMJC may not obligate or pledge moneys raised by taxation to pay any guarantees made under the bill.

Report

The bill requires the FMJC to submit a report, by January 31 each year, to the Governor, the President of the Senate, the Speaker of the House, and to each Minority Leader for the Senate and House. The report must outline the FMJC's activities for the preceding year and include a listing of recipients of financial assistance, if any. The listing must also include the amount of financial assistance provided and any other information about the Federal-Military Jobs Program that the FMJC determines is necessary to include.

FMJC membership and organization

The FMJC consists of nine members, who must be appointed by December 31, 2014. Three members are appointed by the President of the Senate, and three members are appointed by the Speaker of the House of Representatives. Of those members, one must be recommended by the Minority Leader of the Senate and one recommended by the Minority Leader of the House. Presumably, these members are members of the General Assembly, because under the bill they serve four-year terms or until they are no longer members of the General Assembly. Three members are appointed by the Governor. Governor's appointees serve staggered terms of three years. Members appointed by the Governor must be confirmed by the Senate.

Members serve at the pleasure of their appointing authority and may be removed for just cause. They serve without compensation but are reimbursed for actual and necessary expenses incurred in the performance of FMJC duties.

The first person appointed by the President shall schedule the first meeting of the FMJC at which the members shall select a chairperson from among its members. The FMJC must meet at least once each quarter at the call of the chairperson and shall administer any money appropriated to it by the General Assembly.

Administrative duties of the Treasurer of State

Under the bill, the Treasurer of State must provide administrative assistance to the FMJC, including office space and facilities. The Treasurer of State may pay FMJC-related expenses which must be reimbursed from the Federal-Military Jobs Fund. The Treasurer of State also may adopt rules under R.C. Chapter 119. to implement the provisions under the bill.

Federal-Military Jobs Fund

The bill creates the Federal-Military Jobs Fund in the state treasury. The Fund consists of moneys appropriated by the General Assembly, repayments of principal and interest on financial assistance made from the Fund for awards by the FMJC, any grants or donations received from nonpublic entities, and interest earned on moneys in the Fund.

Under the bill, except as otherwise provided, all expenses and obligations incurred by the FMJC must be payable solely from, as appropriate, moneys from the Fund. The bill specifies that the Fund is to be used for financial assistance authorized by the FMJC and for the powers exercised by the FMJC including incidental administrative costs and expenses.

Obligations relating to approved federal-military projects

The bill permits the Treasurer of State to purchase obligations issued by a political subdivision relating to an eligible federal-military project that are approved by the FMJC and identified in an agreement between the Treasurer of State and the political subdivision to purchase the obligations. The agreement may include a provision for the payment of a reasonable fee to the Treasurer of State as consideration for the Treasurer of State's purchase of the obligations. The fee must be deposited into the State Political Subdivision Obligations Fund.

The bill limits the principal amount of these obligations to not more than $200 million at any one time. No money from the General Revenue Fund may be used to subsidize the purchase or resale of the obligations.

Appropriations of property under Eminent Domain

(R.C. 163.15, 163.53, 163.54, and 163.55)

General appropriation law

The bill provides in the general property appropriation law that whenever the appropriation of real property by a state 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 current maximum for this payment is $10,000.

Appropriation law, displaced persons

The displaced persons provisions of the appropriations law are additional provisions that apply when the state 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 a state agency to acquire the real property.

The bill 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 current maximum for this payment is $10,000.

The bill 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 current range for such a payment is $1,000 to $20,000. A person whose sole business at the displacement dwelling is the rental of such property to others does not qualify for this payment.

The bill 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. Current law provides that this additional payment cannot exceed $22,500 and prescribes 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. 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. Current law prescribes an encumbrance period of not less than 180 days prior to the initiation of negotiations for the acquisition of the dwelling.

Under the bill, 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 existing 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 existing law.

Under current law, certain displaced persons who occupy a dwelling (but do not own the dwelling) are not eligible for the current maximum $22,500 payment described above (which maximum the bill increases to $31,000), but are eligible for different payment. This payment consists 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 bill provides that the amount of this payment cannot exceed $7,200. The current maximum amount for this payment is $5,250.

The bill eliminates language that contains a limitation on the amount of such a payment that is paid to a displaced home owner who has 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.

Public employee status of student athletes at state universities

(R.C. 3345.56)

The bill 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 bill, 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.

Local government direct deposit payroll

(R.C. 9.37)

The bill 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."[58] Current law allows only "employees" to participate in a direct deposit policy of a municipal corporation, county, or township.[59] The bill replaces the term "employees" with "public officials" and thus expands the individuals who are authorized to participate in a direct deposit policy of a municipal corporation, county, or township.

Payments to art museums by school boards and local governments

(R.C. 757.03 through 757.08)

The bill 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 bill imposes similar conditions on art museums as those currently required of a symphony association, area arts council, or other similar nonprofit corporation that receives payments. These include the filing of a resolution, as a condition precedent to the receipt of payments, and conferring specified rights on the local governing board or boards to nominate trustees or members of any governing body of, and members of the executive committee of, the art museum. Recipients of payments must also agree to confer the right to require the symphony orchestra or any performing groups maintained by the entities to provide such feasible popular performances at low cost as in the judgment of the parties will serve the largest interests of the school children served or the citizens of the city or county.

Under current law unchanged by the bill, 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

[58] R.C. 9.37(A).

[59] R.C. 9.37(G).

continuing law. Under the bill, the same calculation will determine the amount of payments for art museums.

State Penal Museum

(R.C. 5.077)

The bill 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 bill 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 existing law, a professional negligence action against a registered surveyor must be commenced within four years after the cause of action accrues.

Judicial release

(R.C. 2929.20)

The bill eliminates a provision of existing law that prohibits a court from hearing a subsequent motion for judicial release filed by an eligible offender after the court denies such a motion without a hearing and with prejudice. The bill authorizes a court to consider one subsequent motion for judicial release after denying such a motion following a hearing and increases from one to two the allowable number of judicial hearings the court may hold for an eligible offender.

Criminal Justice Recodification Committee

(Sections 729.10 and 729.11)

The bill creates a 19-member Criminal Justice Recodification Committee consisting of two senators appointed by the Senate President; two representatives appointed by the House Speaker; the Director of Rehabilitation and Correction 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 11 members, not more than six 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; and one representative of community addiction services providers or community mental health services providers. The President and Speaker must consider adequate representation by race and gender when making their appointments.

All appointed members must be appointed within 30 days after the bill's effective date. 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 the bill's effective date. Thereafter, it meets as necessary at the call of the Chairperson or on the written request of at least seven members. Nine 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 other General Assembly committees. The Legislative Service Commission must provide research and technical services and support on request. The Committee may also consult with and seek and obtain research and technical services and 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.

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.

Lawrence County's use of former Ohio River Valley 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 bill authorizes the Lawrence County Board of County Commissioners, the Director of Youth Services, the Director of Rehabilitation and Correction, 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 as a jail for Lawrence County. The agreement may not provide for transfer of ownership of any portion of the Facility. If the board and the Departments 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 portion of the Ohio River Valley Juvenile Correctional Facility that, pursuant to the agreement, the sheriff is authorized to use as a jail for Lawrence County (hereafter, this portion is referred to as the "River Valley/Lawrence County Facility") for the confinement of persons charged with the commission of an offense, sentenced to confinement for such an offense in a jail, or in custody upon civil process, if the offense 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 for the confinement of such persons in that facility.

(2) The Lawrence County sheriff may not use the River Valley/Lawrence County Facility for the confinement of a juvenile who is alleged to be or is adjudicated a delinquent child or juvenile traffic offender;

(3) The Lawrence County sheriff may not use the River Valley/Lawrence County Facility for any purpose listed in (1), above, unless the Facility satisfies the Minimum Standards for Jails in Ohio promulgated pursuant to R.C. 5120.10 (that section requires the Director of Rehabilitation and Correction to promulgate minimum standards for Ohio jails, and the Director has complied with the requirement);

(4) If the Lawrence County sheriff uses the River Valley/Lawrence County Facility for one or more of the purposes listed in (1), above, all of the following apply during that use of that Facility and during the period covered by the agreement:

- The sheriff has charge of that Facility and all persons confined in it, and must keep those persons safely, attend to that Facility, and regulate that Facility according to the Minimum Standards for Jails in Ohio;

- The sheriff has all responsibilities and duties regarding the operation of that Facility, including, but not limited to, safe and secure operation of and staffing for that Facility, food services, medical services, and other programs, services, and treatment of persons confined in it, and conveyance to and from that 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;

- 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 that Facility and to the sheriff in the same manner as if that Facility was a Lawrence County jail, and R.C. 341.13 to 341.18 apply with respect to that Facility and the sheriff if that Facility is used for confinement of persons from a county other than Lawrence County pursuant to an agreement as described in (1), above (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 that Facility, and for all potential liability related to the use or operation of that 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 that 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 that Facility must be in accordance with the terms of the agreement, to the extent that the terms are not in conflict with (1), (2), (3), and (4).

(5) If the Lawrence County sheriff uses the River Valley/Lawrence County Facility for one or more of the purposes listed in (1), above, and subsequently ceases to use that Facility for those purposes, the sheriff must vacate the Facility and control of the Facility immediately reverts to the state.

(6) If a county other than Lawrence county does not have a sufficient jail or staff and has entered into an agreement with the Lawrence county sheriff as described above in (1), instead of conveying a prisoner to a jail in another county, the sheriff of the other county may convey the person to the River Valley/Lawrence County Facility in accordance with the provisions described above in (1) to (5).

Wording on signs bearing the international symbol of access

(R.C. 9.54)

The bill 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.

Membership of boards of state community college districts

(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 current law, these members must 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 bill requires these members to be qualified electors of the state as a whole, instead of the college district.

Transfer of public property to or by community improvement corporations

(R.C. 1724.10)

The bill 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 current 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 bill 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.

Enforcement of motor vehicle law

(R.C. 2935.012)

The bill prohibits a peace officer who does not receive an hourly rate of pay or a salary from a law enforcement agency from issuing a citation for, or arresting any person for, a violation of Title 45 of the Revised Code, the motor vehicle law. For purposes of this provision, "law enforcement agency" means an organization or unit made up of peace officers.

EFFECTIVE DATES

(Section 812.20)

The bill 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 two years after the bill 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

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