

As Reported by the Senate Government Oversight and Reform Committee

131st General Assembly

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Sub. H. B. No. 5

Representatives Kunze, Koehler

Cosponsors: Representatives Rogers, Boose, Hambley, Amstutz, Anielski, Antonio, Baker, Barnes, Bishoff, Blessing, Boyd, Brenner, Brown, Buchy, Burkley, Celebrezze, Cera, Conditt, Cupp, Dever, Dovilla, Duffey, Ginter, Green, Grossman, Hackett, Henne, Kraus, McClain, McColley, O'Brien, M., O'Brien, S., Reineke, Retherford, Rezabek, Romanchuk, Ruhl, Ryan, Schaffer, Scherer, Schuring, Sheehy, Smith, K., Smith, R., Sprague, Stinziano, Strahorn, Sweeney, Terhar, Thompson, Young, Speaker Rosenberger

Senator Coley

A BILL

To amend section 117.47 and to enact sections 117.473, 117.48, 2743.31, and 2744.11 of the Revised Code to allow the Auditor of State to conduct feasibility studies regarding the efficiency of local public offices and state agencies, to authorize the Auditor of State to establish a shared equipment service agreement program among state agencies and political subdivisions, and to specify that a state agency or political subdivision that uses the loaned equipment may assume potential liability for its use. 1 2 3 4 5 6 7 8 9 10 11 12

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

Section 1. That section 117.47 be amended and sections 13

117.473, 117.48, 2743.31, and 2744.11 of the Revised Code be 14
enacted to read as follows: 15

Sec. 117.47. There is hereby created in the state treasury 16
the leverage for efficiency, accountability, and performance 17
fund. The auditor of state shall use the fund to ~~make~~: 18

(A) Make loans to state agencies and local public offices 19
that have applied to and been approved by the auditor of state 20
to receive the loans and to pay the costs of conducting 21
performance audits incurred by the auditor of state. ~~The; or 22~~

(B) Pay the costs the auditor of state or the auditor's 23
auditing team incurs to conduct a feasibility study requested 24
under section 117.473 of the Revised Code. 25

The fund shall consist of money appropriated to it plus 26
the repayments of principal and interest on loans made from the 27
fund. Interest earned on money in the fund shall be credited to 28
the fund. 29

During a fiscal year, the auditor of state shall use not 30
more than fifty per cent of the fund to make loans under 31
division (A) of this section and not more than fifty per cent to 32
pay costs under division (B) of this section. 33

Sec. 117.473. A state agency or local public office may 34
request that the auditor of state conduct a feasibility study to 35
determine if greater efficiency or cost savings could be 36
realized by the state agency or local public office sharing 37
services or facilities with other state agencies or local public 38
offices. In the request, the requesting state agency or local 39
public office shall identify for the auditor of state the 40
specific state agencies or local public offices that may be 41
included within the proposed plan for sharing services or 42

facilities. 43

The auditor of state shall provide written notification to 44
each state agency and local public office that is identified in 45
a request. The auditor of state may review only those identified 46
state agencies or local public offices that do not opt out. To 47
opt out, a state agency or local public office shall provide an 48
opt out notice to the auditor of state within sixty days of the 49
date on which the auditor's notification to the state agency or 50
local public office is postmarked. If a state agency or local 51
public office opts out of a requested feasibility study, the 52
auditor of state, at the auditor's discretion, may cancel the 53
feasibility study or may proceed to conduct the feasibility 54
study considering only the identified state agencies and local 55
public offices that have not opted out. 56

The auditing team that conducts performance audits shall 57
conduct the feasibility study requested by a state agency or 58
local public office as funds are allowed and available under 59
section 117.47 of the Revised Code. 60

Not later than ten days before commencing a feasibility 61
study requested under this section, the auditor of state shall 62
provide written notice to the requesting state agency or local 63
public office, and any other state agency or local public office 64
that consented to being reviewed, of the date the study will be 65
commenced. 66

The auditor of state shall pay the costs incurred by the 67
auditor or the auditing team in conducting feasibility studies 68
under this section. 69

Not later than one hundred eighty days after completing a 70
feasibility study, the auditor of state shall conduct a public 71

hearing on the feasibility study findings. Not later than ten 72
days before the date of the public hearing, the auditor shall 73
give notice of the date, time, and location of the public 74
hearing in writing to the state agency or local public office 75
that requested the feasibility study, to any other state agency 76
or local public office that consented to being reviewed, and on 77
the auditor's web site. 78

Sec. 117.48. (A) As used in this section, "governmental 79
function," "political subdivision," and "proprietary function" 80
have the same meanings as in section 2744.01 of the Revised 81
Code. 82

(B) The auditor of state may establish a shared equipment 83
service agreement program in which state agencies and political 84
subdivisions may voluntarily participate. Under the program, a 85
state agency or political subdivision may voluntarily enter into 86
an agreement with another state agency or political subdivision 87
to provide for the contracting lender state agency or political 88
subdivision to lend its capital equipment to the contracting 89
recipient state agency or political subdivision for temporary 90
use in the recipient's performance of a governmental function or 91
proprietary function. 92

(C) Sections 2743.31 and 2744.11 of the Revised Code apply 93
if the auditor of state establishes a shared equipment service 94
agreement program under division (B) of this section. 95

Sec. 2743.31. (A) As used in this section: 96

"Governmental function," "political subdivision," and 97
"proprietary function" have the same meanings as in section 98
2744.01 of the Revised Code. 99

"State agency" has the same meaning as in section 117.01 100

of the Revised Code. 101

(B) If a shared equipment service agreement is entered 102
into by a contracting lender state agency or political 103
subdivision to lend its capital equipment to a contracting 104
recipient state agency for the temporary use by the recipient 105
state agency in the performance of a governmental or proprietary 106
function, the agreement may provide that the recipient state 107
agency and its officers and employees, as the case may be, 108
assume any potential liability under this chapter in a civil 109
action for damages for injury, death, or loss to person or 110
property allegedly caused by an act or omission of the recipient 111
state agency or its officers or employees resulting from the use 112
of the equipment in the performance of the recipient state 113
agency's governmental or proprietary functions. This assumption 114
of liability applies insofar as the recipient state agency under 115
the agreement or any of its officers or employees is engaged in 116
the use of the equipment covered by the agreement in the 117
performance of a governmental or proprietary function. 118

Sec. 2744.11. If a shared equipment service agreement is 119
entered into by a contracting lender state agency or political 120
subdivision to lend its capital equipment to a contracting 121
recipient political subdivision for the temporary use by the 122
recipient political subdivision in the performance of a 123
governmental or proprietary function, the agreement may provide 124
that the recipient political subdivision and its officers and 125
employees, as the case may be, assume any potential liability 126
under this chapter in a civil action for damages for injury, 127
death, or loss to person or property allegedly caused by an act 128
or omission of the recipient political subdivision or its 129
officers or employees resulting from the use of the equipment in 130
the performance of the recipient political subdivision's 131

<u>governmental or proprietary functions. This chapter applies</u>	132
<u>insofar as the recipient political subdivision under the</u>	133
<u>agreement or any of its officers or employees is engaged in the</u>	134
<u>use of the equipment covered by the agreement in the performance</u>	135
<u>of a governmental or proprietary function.</u>	136
Section 2. That existing section 117.47 of the Revised	137
Code is hereby repealed.	138