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REVISED VERSION

SUMMARY

This analysis is arranged by state agency 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 of the item.

Separate segments at the end address items affecting local government, revisions to adjudication procedures under the Administrative Procedure Act (R.C. Chapter 119), which apply across state government, and authority for state agencies to make electronic notifications and conduct meetings by electronic means.

The analysis concludes with a note on effective dates, expiration, and other administrative matters.

Within each agency and category, a summary of the items appears first (in the form of dot points) followed by a more detailed discussion.

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ACCOUNTANCY BOARD

- Requires the Accountancy Board to switch its register of licensed accountants from a printed to an electronic format, requires the electronic version to be publicly available and searchable, and modifies the information that must be included in the register.

Electronic register of public accountants

(R.C. 4701.13)

The bill modifies the format of and information the Accountancy Board must include in the register of public accountants that the Board must publish under continuing law. It requires the Board to maintain a publicly available and searchable electronic register rather than an annual printed one as currently required. The bill expands the information the Board must include in the register to include, in addition to the names as under current law, the license numbers, license types, license status, and disciplinary history of all licensed public accountants as of the date the register is accessed. The bill eliminates the requirement that each certified public accountant's or public accountant's business address be included in the register.

ADJUTANT GENERAL

- Expressly requires the Adjutant General manage the recruitment of individuals for service in the Ohio Organized Militia.
- Establishes a death benefit entitlement, currently only available to Ohio National Guard member beneficiaries, to the beneficiaries of all members of the Ohio Organized Militia.
- Clarifies the Adjutant General’s authority with respect to administration of the Ohio Cyber Reserve.

Ohio Organized Militia recruitment

(R.C. 5913.01)

The bill expressly requires the Adjutant General to manage the recruitment of individuals for service in the Ohio Organized Militia, which consists of the Ohio National Guard, the Ohio Naval Militia, the Ohio Military Reserve, and the Ohio Cyber Reserve.¹ Under continuing law, the Adjutant General is the commander and administrative head of the Ohio Organized Militia.

Ohio Organized Militia death benefit

(R.C. 5923.12)

The bill requires the Adjutant General to pay a death benefit of \$100,000, to the beneficiary or beneficiaries of a member of the Ohio Naval Militia, the Ohio Military Reserve, or the Ohio Cyber Reserve, who was ordered to state active duty by proclamation of the Governor, and who died while performing that duty. In order to be eligible, a beneficiary or beneficiaries must have been designated in writing on a form prescribed by the Adjutant General. Under current law, a state active duty death benefit is available to beneficiaries of Ohio National Guard members.² The bill expands the benefit to all members of the Ohio Organized Militia.

The Ohio Military Reserve and the Ohio Naval Militia are military and naval forces that the Governor, under law, is required to organize and maintain. The forces are trained to defend the state whenever the Ohio National Guard, or a part thereof, is employed out of state. It is not subject to induction into federal service.³

The Ohio Cyber Reserve is a civilian cyber security reserve force that the Governor is required by law to organize and maintain. It must be capable of being expanded and trained to educate and protect state, county, and local government entities, critical infrastructure, including election systems, businesses, and citizens of Ohio from cyber attacks.⁴

¹ R.C. 5923.01, not in the bill.

² R.C. 5919.33, not in the bill.

³ R.C. 5920.01, 5921.01, and 5921.12, not in the bill.

⁴ R.C. 5922.01.

Ohio Cyber Reserve administration

(R.C. 5922.01)

The bill expressly authorizes the Adjutant General to provide appropriate training to current and potential members of the Ohio Cyber Reserve. Under continuing law, reserve members serve in an unpaid volunteer status while performing any drill or training. The bill clarifies that this applies to both current and potential reserve members.

The bill clarifies that the Adjutant General is authorized to establish rates of pay for members of the Ohio Cyber Reserve.

Further, the bill expressly authorizes the Adjutant General to pay from funds appropriated by the General Assembly the actual and necessary expenses incurred by the Ohio Cyber Reserve for its administration, training, or deployment. The bill specifies that expenses for administration, training, and deployment may include permanent or temporary state employees or contractual internal or external administrative staff, travel and subsistence expenses, the purchase or rental of equipment, hardware, and local operational support.

DEPARTMENT OF ADMINISTRATIVE SERVICES

Procurement law; revenue received

- Modifies procurement law to require that the value of cost, in both payment from the state and in revenue received by the supplier, must be considered when determining if a purchase is subject to competitive selection procedures.

DAS and state agency purchasing

- Modifies DAS and state agency purchasing preference selection criteria and makes other changes and clarifications to state procurement law.

Opening of competitive bids

- Requires DAS to open competitive sealed bids and competitive sealed proposals in the standardized system of electronic procurement rather than publicly opened in the DAS office.
- Removes the requirement that a representative of the Auditor of State be present at and certify the opening of certain bids and proposals.

Competitive sealed proposals

- Clarifies DAS authority to award a contract to multiple offerors whose competitive sealed proposals are determined to be most advantageous to the state.

State agency direct purchasing authority

- Clarifies state agency direct purchasing authority.

Electronic procurement system

- Specifies that a purchase, by DAS or a state agency through the electronic procurement system established by DAS, constitutes a competitive selection procedure.
- Removes the requirement that DAS make an annual report to the House and Senate finance committees regarding the effectiveness of electronic procurement.
- Removes an outdated provision that required DAS to implement relevant recommendations regarding electronic procurement from the "2000 Management Improvement Commission Report to the Governor."

Requisite procurement programs

- Modifies the requisite procurement process and management.

Increased parental leave benefits

- Increases parental leave benefits for certain state employees by eliminating the 14-day unpaid waiting period and tripling the paid leave period, resulting in a total of 12 weeks of leave paid at the current rate of 70% of the employee's base rate of pay.

Bereavement leave

- Specifies that a permanent employee paid by OBM warrant must begin bereavement leave granted under continuing law not more than five days after the death of the family member that forms the basis for the leave, or not more than five days before or after the funeral of the person whose death formed the basis for the leave.
- Allows an employee to take bereavement leave on the basis of a miscarriage or the stillbirth of a child by providing appropriate medical documentation (in the case of a miscarriage) or a fetal death certificate (in the case of a stillbirth).
- Specifies that an employee who takes bereavement leave on the basis of a stillbirth is ineligible to take parental leave or benefits granted under continuing law based on the same stillbirth.

DAS Director land conveyance authority

- Increases, from \$100,000 to \$1 million, the maximum appraised value of state-owned land (other than land held for the benefit of a state institution of higher education) that may be sold by the DAS Director, with CEB approval.

DAS reports regarding public works

- Repeals a requirement that the DAS Director make an annual report to the Governor related to public works expenses under the Director's supervision, including moneys expended, moneys received, estimated appropriations necessary for maintenance and repair, and a list of employees and their compensation.
- Repeals law requiring the DAS Director make other reports, upon the Governor's request, regarding the condition and welfare of public works and related drainage, leaseholds, and water powers.

Professions Licensing System Fund

- Eliminates the Professions Licensing System Fund and deposits transaction fees from the electronic issuance of licenses to the Occupational Licensing and Regulatory Fund instead.

Report and website regarding grants and rewards

- Eliminates the requirement that the DAS Director submit to the General Assembly an annual report regarding implementation of DAS's website publishing information on state awards.
- Eliminates the requirement that agencies awarding grants establish and maintain a separate website publishing information on the grants, and eliminates the requirement that DAS establish a separate website containing links to these agency websites.

MARCS Steering Committee

- Modifies the membership of the Multi-Agency Radio Communications System (MARCS) Steering Committee.

- Repeals the uncodified law that originally created and modified the Committee in the 120th and 121st General Assemblies, clarifying that the most recent uncodified law governs the membership, name, purpose, and responsibilities of the Committee.

Procurement law; revenue received

(R.C. 125.01 and 125.05)

The bill expands the definition of “purchases” within state procurement law to include revenue received from supplies or services. Under current law, a state agency may, without competitive selection, make any purchase of supplies or services that cost less than \$50,000, after first complying with a procedure under the requisite purchasing program. The bill appears to modify this requirement to specify that the determination of cost includes payment and revenue. Therefore, if a supplier receives a benefit, in the form of revenue, as a result of a contract, in addition to or in lieu of a payment from the state, the amount of that revenue must be considered in determining whether a state agency may, without competitive selection, make the purchase. This provision appears to subject certain benefit based contracts to competitive selection.

Additionally, the bill requires the Department of Education or the Ohio Education Computer Network to purchase software services or supplies for specified school districts when it has determined that it can make the purchase at a cost in payment and revenue for less than the district could make the purchase.

DAS and state agency purchasing

(R.C. 125.01, 125.09, 125.11, 153.54, 307.87, 307.90, and 3345.10; repealed R.C. 505.103 and 717.21)

The bill modifies DAS and state agency purchasing preference selection criteria for awarding a contract. Instead of generally requiring the purchaser to select the lowest responsive and responsible bid, from among the bids that offer products that have been produced or mined in the U.S. or Ohio, the bill requires that the purchaser evaluate the bids and offers according to criteria and procedures for determining if a product is mined, excavated, produced, manufactured, raised, or grown in the U.S., is a Buy Ohio product, and if the bid or offer was received from a Buy Ohio supplier or a certified veteran-friendly business. The bill specifies that the requirements must be applied where sufficient competition can be generated to ensure compliance with the requirements will be in the best interest of the state unless otherwise prohibited. In that regard, continuing law requires bidders and offerors claiming a preference to designate that information in their bid or offer.

The bill requires the DAS Director to adopt rules to establish criteria for applying a purchasing preference to bids received from certified veteran-friendly business enterprises. It also codifies the classification of “Buy Ohio” products, eligible for preference in state purchasing,

to include products from a state bordering Ohio. Currently, this classification is included in DAS rules.⁵

The bill eliminates the following provisions of current state purchasing law:

- A requirement that “insurance” is a type of supply expressly subject to certain state purchasing laws. Under continuing law, DAS generally must purchase any policy of insurance covering offices or employees of a state agency for which the annual premium is more than \$1,000.⁶
- A provision that DAS may require each bidder or offeror to provide sufficient information about the energy efficiency or energy usage of the bidder’s or offeror’s product, supply, or service.
- A requirement, regarding contracts for certain meat and poultry products, that DAS only accept bids from vendors under inspection of the U.S. Department of Agriculture or who are licensed by the Ohio Department of Agriculture. Under current federal law, all meat sold commercially must be inspected for safety.
- A requirement that DAS award certain contracts to qualified nonprofit agencies under the Office of Procurement from Community Rehabilitation Programs. Continuing law requires state agencies to purchase supplies or services that are on the procurement list maintained by that Office.
- A requirement that the DAS Director publish a model act for use by political subdivisions in establishing a system of preferences for purchasing Buy Ohio products, and eliminates the authority for a board of county commissioners, a board of township trustees, or the legislative authority of a municipality to adopt the model system of preferences.

Opening of competitive bids

(R.C. 125.10)

The bill requires DAS to open competitive sealed bids and competitive sealed proposals in the standardized system of electronic procurement rather than publicly opened in the DAS office. Continuing law requires that a sealed copy of each competitive sealed bid or competitive sealed proposal be filed with DAS before the time specified in the notice for opening of the bids or proposals. The bill removes the requirement in current law that a representative of the Auditor of State be present at and certify the opening of all such bids and proposals.

Competitive sealed proposals

(R.C. 125.071)

Under continuing law, the DAS Director may make purchases by competitive sealed proposal whenever the Director determines that using competitive sealed bidding is not possible

⁵ Ohio Administrative Code (O.A.C.) 123:5-1-01 and 123:5-1-06.

⁶ R.C. 125.02(G), not in the bill.

or not advantageous to the state. The bill clarifies DAS authority to award a contract to multiple offerors whose proposals are determined to be the most advantageous to the state. Continuing law requires the contract file to contain the basis on which the award is made.

State agency direct purchasing authority

(R.C. 125.01, 125.05, and 127.16)

The bill clarifies that a state agency's direct purchasing authority under existing law, which authorizes the agency to make a purchase without competitive selection, requires the agency to use a selection process that complies with all applicable laws, rules, or regulations of DAS.

Electronic procurement system

(R.C. 125.01, 125.035, 125.05, and 125.073)

The bill specifies that a purchase, by DAS or a state agency through the electronic procurement system established by DAS, constitutes a competitive selection procedure. Under continuing law, competitive selection also includes purchases under the procedures outlined in procurement law for competitive sealed bidding, competitive sealed proposals, and reverse auctions.

The bill specifically authorizes a state agency that has been granted a release and permit from DAS to make the purchase by utilizing the electronic procurement system.

The bill removes the requirement, originally implemented in July 2004, that DAS make an annual report to the finance committees in each house of the General Assembly on the effectiveness of electronic procurement, as part of DAS's statutory requirement to "actively promote and accelerate the use of electronic procurement."

The bill also removes an outdated law that requires DAS to implement recommendations concerning electronic procurement from the "2000 Management Improvement Commission Report to the Governor."

Requisite procurement programs

(R.C. 125.035, 125.041, and 125.05)

The bill modifies the requirements for DAS to manage the review and determination process for purchase requests as it relates to requisite procurement programs. The bill requires the representative of the first and second requisite procurement programs to review a request to determine whether the request can be fulfilled based on the products and services the program can provide. When the representative has made its determination, and within five days of receipt of a request, the representative must either direct the agency to use it or provide the agency with a waiver.

Under current law, upon receipt of a purchase request, DAS must determine whether the request can be fulfilled through the first requisite procurement program and either direct the agency to make the purchase through that program or determine whether the purchase can be fulfilled through a second requisite procurement program. In determining that a purchase is subject to a second requisite procurement program, DAS must identify potentially applicable

programs and notify them of the requested purchase. The notified programs must respond within two business days. If the second requisite procurement program can provide the requested purchase, the DAS must direct the requesting agency to use that program. If DAS has not received notification from a second requisite procurement program within two business days and has made the determination that the purchase is not subject to a second requisite procurement program, DAS must provide a waiver to the requesting agency.

Under continuing law, the following are first requisite procurement programs that must be given preference in that order: (1) Ohio Penal Industries and (2) Community Rehabilitation Programs. The following are second requisite procurement programs: (1) Business Enterprise Program, (2) Office of Information Technology, (3) Office of State Printing and Mail Services, (4) Ohio Pharmacy Services, (5) Ohio Facilities Construction Commission, and (6) any other program within, or administered by, a state agency that, by law, requires purchases to be made by, or with the approval of, the state agency.

Increased parental leave benefits

(R.C. 124.136)

The bill increases parental leave benefits for certain state employees. Current law provides six weeks of parental leave for those employees, including a 14-day unpaid waiting period followed by four consecutive weeks of leave paid at 70% of the employee's base rate of pay. The bill eliminates the unpaid waiting period and triples the current four-week paid leave period. Thus, the bill increases the benefits to a total of 12 weeks of parental leave paid at the current 70% rate.

Continuing law provides that parental leave benefits may be granted to eligible state employees who satisfy either of the following criteria:

- They are the parent of a newly born or stillborn child and are listed as such on the birth certificate or fetal death certificate;
- They are the legal guardian of a newly adopted child who resides in their household, and they have not elected to receive the \$5,000 lump sum for adoption expenses in lieu of the parental leave benefits.

To be eligible for parental leave benefits under continuing law, a state employee must fall into a category described below:

- A full- or part-time employee paid in accordance with the exempt salary schedule (generally, those who are subject to the state job classification plan but are exempt from collective bargaining);⁷
- Unclassified employees of the Office of the Secretary of State, Auditor of State, Treasurer of State, or Attorney General who are exempt from collective bargaining;

⁷ R.C. 124.152, not in the bill.

- Legislative employees and employees of the Legislative Service Commission, the Supreme Court, and the Office of the Governor;
- Employees of the Bureau of Workers' Compensation whose compensation is established by the Administrator of Workers' Compensation; and
- Employees who hold a position for which the authority to determine compensation is given by law to an individual entity other than the DAS Director.⁸

The bill retains current law that allows employees to use balances of other forms of paid leave to supplement benefits during the parental leave period, thus enabling them to attain 100% of their base rate.

Under continuing law, the paid parental leave must be taken within one year of the birth, stillbirth, or placement for adoption of a child.

Bereavement leave

(R.C. 124.387)

Under continuing law, each full-time permanent and part-time permanent employee paid by warrant of the OBM Director is entitled to three days of paid bereavement leave due to the death of an immediate family member. The bill requires an employee to begin the leave during one of the following time periods:

- Not more than five days after the death of the family member that forms the basis for the leave;
- Not more than five days before or five days after the funeral of the person whose death formed the basis for the leave.

The bill also allows an employee entitled to bereavement leave to use the leave on the basis of a miscarriage or the stillbirth of a child. The employee must produce appropriate medical documentation (in the case of a miscarriage) or a fetal death certificate (in the case of a stillbirth). If an employee who is eligible for parental leave (which includes leave for a stillbirth) takes bereavement leave on the basis of a stillbirth, under the bill the employee is ineligible for parental leave based on the same stillbirth.

DAS Director land conveyance authority

(R.C. 123.01)

Under existing law, DAS has the responsibility to exercise general custodial care of state-owned land. It has the authority, with CEB approval, to sell state land that is not held for the benefit of a state institution of higher education and is worth \$100,000 or less, as determined by an independent third-party appraiser. The bill increases this maximum amount from \$100,000 to \$1 million.

⁸ R.C. 124.14(B)(2), (3), and (4), not in the bill.

Under continuing law, unchanged by the bill, the DAS Director may sell property on behalf of a state institution of higher education if it is valued at \$10 million or less, and the sale is approved by both CEB and the board of trustees of the institution.

DAS reports regarding public works

(Repealed R.C. 123.14)

The bill repeals a requirement that the DAS Director make an annual report to the Governor “containing a statement of the expenses of the public works under the director’s supervision during the preceding year, setting forth an account of moneys expended on each of the public works during the year, and such other information and records as the director deems proper.” The report also must contain “a statement of the moneys received from all sources and an estimate of the appropriations necessary to maintain the public works and keep them in repair,” as well as “a list of all persons regularly employed, together with the salary, compensation, or allowance paid each.”

This information generally may now be found at checkbook.ohio.gov (see R.C. 113.71, not in the bill).

The bill repeals an additional provision of law requiring the DAS Director to make “such other reports as are proper, touching on the general condition and welfare of the public works and the drainage, leaseholds, and water powers incident thereto” when the DAS Director deems it necessary, or when called upon by the Governor.

Professions Licensing System Fund

(R.C. 125.18)

The bill eliminates the Professions Licensing System Fund, which currently receives transaction fees from the electronic issuance of a license or registration. Instead, those fees are to be deposited into the existing Occupational Licensing and Regulatory Fund.⁹

Report and website regarding grants and rewards

(R.C. 125.112)

The bill eliminates a requirement that the DAS Director annually submit to the General Assembly a report describing DAS’s implementation of a searchable website containing information on DAS awards (continuing law still requires DAS to maintain the website). The report, under current law, includes data on the usage of the website and public comments on the utility of the website. Current law also requires the report to be posted on the website.

The bill also eliminates a requirement that state agencies awarding grants maintain a separate website listing information on each grant, with a link to the above-described DAS website. Finally, the bill eliminates law requiring DAS to maintain a separate website containing links to all those agency websites.

⁹ R.C. 4743.05, not in the bill.

MARCS Steering Committee

(Section 610.10)

The bill modifies the membership of the Multi-Agency Radio Communications System (MARCS) Steering Committee. Specifically, it authorizes either the Directors of DAS, DPS, DNR, ODOT, DRC, and OBM, or their designees, to serve as members of the Committee. Current law authorizes only the Director's designees to serve, rather than the Directors themselves (with the exception of the State Fire Marshal).

Additionally, the bill adds the following members to the Committee, with the Governor appointing the first four:

1. A representative of the Ohio Chapter of the Association of Public Safety Communications Officials;
2. A representative of the Buckeye State Sheriff's Association;
3. A representative of the Ohio Chiefs of Police Association;
4. A representative of the Ohio Fire Chiefs Association;
5. Two members of the House (one majority party, one minority party), appointed by the Speaker; and
6. Two members of the Senate (one majority party, one minority party), appointed by the Senate President.

Related to the MARCS Steering Committee, the bill repeals the uncodified sections that originally created and modified the Committee in the 120th and 121st General Assemblies (1993-1996).¹⁰ By doing so, the bill clarifies that the most recent uncodified law that continues the Committee's existence govern its membership, name (it was once renamed a "Council"), purpose, responsibilities, and use of funding.

¹⁰ Section 21 of H.B. 790 of the 120th General Assembly, as amended by Section 11 of H.B. 670 of the 121st General Assembly.

DEPARTMENT OF AGING

Acting director

- Repeals the law requiring the Deputy Director of the Department of Aging to be the Acting Director when the Director of Aging is absent or disabled or the position is vacant.

Board of Executives of Long-Term Services and Supports

- Expands eligibility for the consumer member of the Board of Executives of a Long-Term Services and Supports (BELTSS) to include the representative of a consumer in a long-term services and supports setting.
- Adds an exception to the prohibition that complaints made to BELTSS are confidential and not subject to discovery in any civil action, permitting BELTSS to use the information in administrative hearings and admission in court pursuant to the Rules of Evidence.

Nursing home quality initiative projects

- Requires the Department to provide infection prevention and control services as a quality initiative improvement project.

Performance-based PASSPORT reimbursement

- Authorizes the Department to design a payment method for PASSPORT administrative agency operation that includes a pay-for-performance incentive component.

Long-term Care Ombudsman representative training

- Reduces training requirements for nonvolunteer representatives of the Office of the State Long-term Care Ombudsman.

Ohio Advisory Council for the Aging

- Specifies a new purpose for the Ohio Advisory Council for the Aging – to advise the Department as directed by the Governor and on the objectives of the federal Older Americans Act.
- Eliminates obsolete provisions regarding the date by which certain members must have been first appointed.

Golden Buckeye Card program

- Expands the formats possible for the Golden Buckeye Card to include physical or electronic cards, as well as endorsements on cards for one or more programs.

Acting director

(Repealed R.C. 173.05)

The bill repeals the law requiring the Deputy Director of the Department of Aging to be the Acting Director when the Director of Aging is absent or disabled or the position is vacant. The

bill also repeals the requirement that the Director of Aging specify who is to be the Acting Director when a Deputy Director has not been appointed.

Board of Executives of Long-Term Services and Supports

Membership

(R.C. 4751.02)

Regarding the Board of Executives of Long-Term Services and Supports (BELTSS), the bill expands eligibility criteria for one member of the 11-member board. Continuing law requires one member to be a consumer of services offered in a long-term services and supports setting. Under the bill, a person who represents such a consumer is also eligible for the consumer-member role.

Confidentiality of complaints

(R.C. 4751.30)

Ohio law prohibits complaints made to BELTSS from being subject to discovery in any civil action. The bill deems such complaints as confidential, but establishes an exception to the confidentiality – it permits the complaints to be used by BELTSS in administrative hearings. Any entity that receives a complaint pursuant to an administrative hearing must maintain the complaint’s confidentiality in the same manner as BELTSS. The bill also permits confidential complaints to be admitted in a judicial proceeding, but only in accordance with the Rules of Evidence of the court, and requires the court to take precautionary measures to ensure the confidentiality of any identifying information in the records.

Nursing home quality initiative projects

(R.C. 173.60)

Regarding the nursing home quality initiative program to promote person-centered care in nursing homes, the bill requires the Department to include infection prevention and control efforts as a component of the program. The bill requires the quality initiative program component to include facility technical assistance including services, programs, and content expertise, subject to the availability of funds. The infection prevention and control component must be included in a list of quality improvement projects that may be used by nursing homes to meet nursing home inspection and licensure requirements.

Performance-based PASSPORT reimbursement

(Section 209.20)

In order to improve health outcomes among populations served by PASSPORT administrative agencies, the bill authorizes the Department to design a payment method for PASSPORT administrative agency operation that includes a pay-for-performance incentive component earned by a PASSPORT administrative agency when defined consumer and policy outcomes are achieved.

If the Department opts to implement the payment method, it must do so through rules adopted in accordance with the Administrative Procedure Act (R.C. Chapter 119). Before filing a proposed rule with a pay-for-performance incentive component with the Joint Committee on

Agency Rule Review, the Department must submit a report to the Joint Medicaid Oversight Committee outlining the payment method.

Long-term Care Ombudsman representative training

(R.C. 173.21)

The bill reduces the number of specified training hours required for a nonvolunteer representative of the Office of the State Long-term Care Ombudsman. The reduction is accomplished as follows:

- Reducing hours of basic instruction required before the representative can handle cases without supervision, from 40 to 36;
- Eliminating a requirement that an additional 60 hours of instruction must be completed within the first 15 months of employment;
- Eliminating an internship of 20 hours that includes instruction and observation of basic nursing care and long-term care procedures;
- Eliminating observation of either a Department certification survey of a nursing facility or a licensing inspection of a residential facility by the Ohio Department of Mental Health and Addiction Services.

Instead, the bill gives the Department of Aging the option to create rules regarding additional training, which may include an internship, in-service training, or continuing education. Under existing law, continuing education must be established by the Department.

The bill also eliminates law providing a training exemption for persons serving as an ombudsman for at least six months prior to June 11, 1990.

Ohio Advisory Council for the Aging

(R.C. 173.03)

The bill revises the law governing the Ohio Advisory Council for the Aging in two ways. First, it specifies that the Council's purpose is to advise the Department on the objectives of the Older Americans Act of 1965 and as directed by the Governor, rather than requiring the Council, as under current law, to carry out its role as defined under the Older Americans Act. Second, it eliminates obsolete provisions regarding the deadline for the Governor to appoint the first members.

Golden Buckeye Card program

(R.C. 173.06)

Regarding the Golden Buckeye Card program, the bill authorizes new formats beyond the current physical card. The Department may provide Golden Buckeye cards as physical or electronic cards, and the cards can be an endorsement on a card that includes one or more programs. Related to this change, the bill eliminates a requirement that a card must contain the card holder's signature.

DEPARTMENT OF AGRICULTURE

Amusement ride reinspections

- Adds to the reasons why an amusement ride owner must pay a reinspection fee by requiring the owner to pay the fee if rules adopted by the Director of Agriculture (ODA Director) require reinspections for the ride's safe operation.
- Allows the Department of Agriculture (ODA) to charge a fee for a supplemental reinspection of a temporary amusement ride when the inspection is required by rules governing a ride's safe operation.

Seed sharing

- Exempts seed libraries and participants in seed swap events and noncommercial seed sharing from seed labeling, permitting, and sales reporting requirements if certain conditions are met, including that any seed must be exchanged without remuneration.
- Requires noncommercial seed sharing participants, seed libraries, and organizers of seed swap events to maintain a seed log that identifies certain information, such as the source of all seeds received by the seed library or offered for exchange during seed swap events.
- Allows ODA to request access and review the seed log at any time, as well as enter any place of business to gain access to any seeds for sampling or any records.

Legume inoculators

- Eliminates the legume inoculator's annual license (\$5 fee), which authorizes a person to apply legume inoculants to seed for sale.

Amusement ride reinspections

(R.C. 993.04)

The bill adds to the list of reasons why an amusement ride owner must pay a reinspection fee by requiring the owner to pay the fee if rules adopted by the ODA Director require reinspections for the safe operation of the ride. Under current law, the ODA Director may require an amusement ride owner to pay a reinspection fee only if:

1. The reinspection was conducted at the owner's request;
2. The reinspection is required because of an accident; or
3. The reinspection is required because it is unsafe and in violation of the law governing safe operations of rides.

Also under current law, the ODA Director is not authorized to charge a fee for a reinspection when the reinspection is conducted in accordance with rules governing the safe operation of the ride. These reinspections are required based on the size, complexity, nature of

the ride, and the number of days the ride is in operation during the year. Reinspection fees range from \$5 to \$1,200 depending on the ride being inspecting.

The bill also allows ODA to charge a fee for a supplemental reinspection of a temporary amusement ride when the inspection is required by rules governing the safe operation of a ride.

Seed sharing

(R.C. 907.091 and 907.01)

The bill exempts seed libraries and participants in seed swap events and noncommercial seed sharing from seed labeling, permitting, and sales reporting requirements under the Seed Law if the following requirements are met:

1. Seed libraries and individuals participating in a seed swap event cannot distribute or hold patented or treated seeds;

2. Seed libraries and organizers of seed swap events must ensure that all seeds distributed or held by the seed library or distributed by individuals participating in a seed swap event are free of noxious and exotic weed seeds;

3. Seed libraries must ensure that all seeds transferred, obtained, distributed, or acquired from the library or at a seed swap event sponsored by the library are:

a. Free of charge;

b. Open pollinated and one of the public domain varieties.

4. Seed libraries and noncommercial seed sharing participants, and organizers of seed swap events must maintain a log identifying the seed species, common name, and source of all seeds received by the seed library or offered for exchange during seed swap events.

ODA may request access and review a log at any time. Additionally, the ODA Director, or the Director's designee, may enter any public or private place of business to gain access to any seeds for sampling or any records.

Under the bill, seed libraries, noncommercial seed sharing, and seed swap events are described as follows:

Exempted entity or action	Description
Seed library	A nonprofit, governmental, or cooperative organization or association established for the purpose of facilitating the donation, exchange, preservation, and dissemination of seeds among the seed library's members or the general public, free of charge.
Noncommercial seed sharing	Seed sharing with no transfer of monetary compensation in return for receiving seeds. It does not mean either of the following: 1. Seed sharing in which participants in seed sharing activities create an expectation that seeds must be returned in exchange for receiving seeds; or

Exempted entity or action	Description
	2. The distribution of seeds given as compensation for work or services rendered.
Seed swap event	An organized and publicly promoted event where noncommercial seed sharing takes place.

Legume inoculators

(R.C. 907.27 and 907.32; R.C. 907.30, repealed)

The bill eliminates the legume inoculator's annual license, which authorizes a person to apply legume inoculants to seed for sale. Current law requires an applicant for a license to include specified information with an application (along with a \$5 application fee), including the brand name of the legume inoculant to be used.

AIR QUALITY DEVELOPMENT AUTHORITY

- Authorizes the Ohio Air Quality Development Authority to enter into an arrangement with a municipality, township, or special improvement district to fund commercial or industrial energy or energy efficiency projects (often referred to as a PACE or “property assessed clean energy” project).
- Authorizes the municipality, township, or special improvement district to impose and remit to AIR special assessments on property benefitting from the PACE.

Property assessed clean energy project financing

(R.C. 503.59, 727.01, 1710.06, 3706.01, 3706.051, 3706.12; Section 803.20)

The bill authorizes the Ohio Air Quality Development Authority (AIR) to enter into an agreement with a local partner, either a municipal corporation, township, or special improvement district (SID), to fund a privately owned commercial or industrial “special energy improvement” that reduces air pollution, i.e., a solar, geothermal, or customer-generated energy facility or energy efficiency improvement. Pursuant to this agreement, AIR will issue bonds and remit the proceeds to either the local partner or the private owner. The local partner will levy a special assessment against the project property, and remit the proceeds of that assessment to AIR to service the project bonds. This type of financing arrangement is commonly referred to as a PACE, or “property assessed clean energy,” project.

Under continuing law and pursuant to its existing bonding authority, AIR may use its bond proceeds to fund commercial and industrial special energy improvement projects directly. AIR may also enter into agreements with local governments to fund such projects owned by the local government. The bill authorizes two separate PACE funding models. One to be used when the local partner is a SID or municipality that is a SID member acting in furtherance of the SID’s objectives, the other to be used when the local partner is a township or municipality operating independently and not through a SID.

SID PACE model

Under continuing law, SIDs and municipalities that are SID members acting in accordance with SID objectives may impose special assessments on property to fund special energy improvement projects, provided the projects are approved by every property owner to be assessed. (A SID is a district formed by one or more municipalities and townships for the purpose of levying special assessments to provide certain services or develop certain improvements within the district.)

Under the bill, a SID or a member municipality may enter into an agreement with AIR whereby AIR remits bond proceeds to the SID or municipality, which remits those funds to a private property owner to fund special energy improvement projects. In turn, the SID or municipality imposes a special assessment on the benefitted property and assigns and remits the assessment proceeds to AIR, which uses them to service project bonds.

This bill prohibits this model from being construed to apply to any AIR bonds or SID special assessments issued or levied before the bill's 90-day effective date.

Municipal and township PACE model

While SIDs and municipalities that SID members have existing authority to levy special assessments to fund special energy improvement projects, municipalities acting outside of a SID and townships do not have that authority.

The bill grants specific authority for these municipalities and townships to levy special assessments to fund special energy improvement projects. However, they may only be levied if the property owner proposing the project petitions for them and the municipality or township enters into an agreement with AIR. Pursuant to this agreement, AIR will remit bond proceeds to the property owner to fund the project, and the municipality or township will pledge and remit the special assessments to AIR to service those bonds. (In contrast, the bond proceeds in the SID model are remitted to the local partner, and not the property owner.)

ARCHITECTS BOARD

- Amends the structure of the Architects Board to include a public member and reduces the required years of architect licensure experience required for service on the Board.

Architects Board membership

(R.C. 4703.01; Section 747.10)

The bill amends the structure of the Architects Board to include a public member and reduces the required years of architect licensure experience required for service on the Board. The bill specifies that the Board must be composed of four architects and one member of the general public who is not an architect. The bill also reduces from ten to five the number of years of active architect practice required for service on the Board. Under current law, the Board is composed of five architects who have been in active practice in Ohio for at least ten years.

Current Board members may continue to hold office until their terms expire, unless removed under law. The bill requires the Governor to appoint an individual who is a member of the general public upon the next vacancy on the Board.

ATTORNEY GENERAL

- Changes the administration of Ohio's Victims of Human Trafficking Fund from the Department of Job and Family Services to the Attorney General's Office.

Victims of Human Trafficking fund administration

(R.C. 5101.87)

The bill transfers administration of the Victims of Human Trafficking Fund from the Director of Job and Family Services to the Attorney General's Office.

AUDITOR OF STATE

LEAP Fund replaced by Auditor's Innovation Fund

- Replaces the Leverage for Efficiency, Accountability, and Performance (LEAP) Fund with the Auditor's Innovation Fund.
- Authorizes the Auditor's Innovation Fund to be used for innovative audit, accounting, or local government assistance services that improve the quality or increase the range of services offered to local governments and school districts.
- Removes law describing the uses of the LEAP funds, including (1) making loans to certain state and local entities for performance audits and (2) paying the costs of performance audits and feasibility studies.

Auditor feasibility study

- Permits the Auditor of State to conduct a feasibility study requested by a state agency or local public office at the Auditor's discretion, rather than as LEAP funds are allowed and available.

Cause of action by Auditor of State

- Specifies that, when there is a cause of action set forth from a report of the Auditor, the amount payable from that action is a final and certified claim, under the continuing law regarding collecting amounts due to the state, upon submission to the Attorney General.
- Specifies that the amount payable may be satisfied under a continuing law process, which allows a person's tax refund to be applied to a debt to the state or a political subdivision of the state.

School district fiscal distress performance audits

- Removes the Office of Budget and Management from the performance audit consultation process for school districts under fiscal caution, in a state of fiscal watch, or in fiscal emergency.
- Removes the requirement that the Auditor prioritize performance audits of school districts in fiscal distress.

Auditor's Innovation Fund

(R.C. 117.47, with conforming changes in R.C. 117.46; repealed R.C. 117.471 and 117.472)

The bill eliminates the Leverage for Efficiency, Accountability, and Performance (LEAP) Fund, and creates the Auditor's Innovation Fund.

The bill permits the Auditor of State to use the Auditor's Innovation Fund for "innovative audit, accounting, or local government assistance services that improve the quality or increase

the range of services offered to local governments and school districts.” The fund consists of money appropriated to it.

The bill repeals law permitting loans to be made with LEAP funds. Under current law, the Auditor of State must use LEAP funds to make loans to state agencies, local public offices, and state institutions of higher education for conducting performance audits if the Auditor approves their applications. The amount loaned is charged by the Auditor for a performance audit. In addition, LEAP funds are used for conducting feasibility studies requested by state agencies or local public offices. Under current law, 50% of the money in the LEAP Fund must be used for loans and paying the costs of performance audits, and 50% for feasibility studies.

The bill repeals law containing the terms and conditions of LEAP Fund loans to entities that receive them, and provisions describing the consequences of defaulting on those loans.

Under current law, the LEAP Fund consists of appropriated money, plus repayments of principal and interest made on LEAP Fund loans.

Auditor feasibility study

(R.C. 117.473)

The bill permits the Auditor to conduct a feasibility study at the Auditor’s discretion, rather than require the Auditor to conduct feasibility studies as LEAP funds are allowed and available.

Continuing law permits a state agency or local public office to request that the Auditor conduct a feasibility study to determine if greater efficiency or cost savings could be realized by the state agency or local public office by sharing services or facilities with other state agencies or local public offices.

Under current law, the Auditor must conduct the requested feasibility studies as funds are allowed and available from the LEAP Fund, no more than 50% of which may be used to conduct these feasibility studies.

Cause of action by Auditor of State

(R.C. 117.34)

The bill specifies that, when there is a cause of action set forth from a report of the Auditor, the amount payable from that action is a final and certified claim, under the continuing law¹¹ regarding collecting amounts due to the state, upon submission to the Attorney General. Under continuing law, if an amount due to the state is not paid within 45 days after payment is due, the officer responsible for collecting it must certify the amount due to the Attorney General, who must give immediate notice to the party indebted of the nature and amount of the indebtedness. The Attorney General and the officer must agree on the time a payment is due, which may be an appropriate time determined by them based on statutory requirements or

¹¹ See R.C. 113.02, not in the bill.

ordinary business processes. The law requires the AG to follow this process on behalf of state agencies, and also on behalf of state institutions of higher education and of political subdivisions.

Additionally, the bill specifies that the amount payable may be satisfied under a continuing law process,¹² which allows a person's tax refund to be applied to a debt to the state or a political subdivision of the state.

School district fiscal distress performance audits

(R.C. 3316.042)

The bill removes the Office of Budget and Management from the performance audit consultation process for school districts under fiscal caution, in a state of fiscal watch, or in fiscal emergency. However, the Auditor must continue to consult with the Department of Education in conducting performance audits. The bill also removes the requirement that the Auditor prioritize performance audits of school districts that are in fiscal distress.

Under law unchanged by the bill, the Auditor has discretion to conduct performance audits of school districts under a fiscal caution, in a state of fiscal watch, in a state of fiscal emergency, or in fiscal distress. These audits consist of the review of any programs or areas of operation in which the Auditor believes that greater operational efficiencies or enhanced program results can be achieved, but do not include review or evaluation of the school district's academic performance. The costs of performance audits are paid by the Auditor with funds appropriated from the General Assembly.

¹² See R.C. 5747.12, not in the bill.

OFFICE OF BUDGET AND MANAGEMENT

All Ohio Future Fund

- Renames the Investing in Ohio Fund to the All Ohio Future Fund and expands the fund's economic development purposes.
- Authorizes the Director of the Office of Budget and Management (OBM) to transfer money to the All Ohio Future Fund from the Oil and Gas Well Fund and money from JobsOhio under the liquor franchise agreement under specified circumstances.
- Requires Controlling Board approval to release moneys from the fund and allows the Board to exceed the limit on approving expenditure of unanticipated or excess revenue to the All Ohio Future Fund, provided there is a sufficient balance in the fund to support the increase.

OBM reporting requirements

- Eliminates various reporting requirements for agencies to submit information to OBM and removes OBM as a recipient of certain reports.

Routine support services for boards and commissions

- Eliminates the Central Service Agency within DAS, which provides routine support services to various boards and commissions, and transfers its duties to OBM.
- Eliminates the Controlling Board's authority to exempt a board or commission from using the services.

Annual comprehensive financial reports

- Changes the name of a report the OBM Director and the Ohio Turnpike and Infrastructure Commission must each issue from a "comprehensive annual financial report" to an "annual comprehensive financial report."

All Ohio Future Fund

(R.C. 126.62)

The bill renames the Investing in Ohio Fund to the All Ohio Future Fund. It also expands the purposes of the fund beyond promoting economic development throughout Ohio to providing financial assistance through loans, grants, or other incentives that promote economic development throughout Ohio, including the following activities:

1. Projects to prepare sites for economic development by supporting necessary infrastructure improvements, wetland mitigation measures, and other one-time site enhancements;
2. Efforts to attract new business, workforce, and residents to Ohio; and

3. Efforts to expand and advance business, workforce, and community and economic development opportunities across Ohio.

The bill authorizes the Director of the Office of Budget and Management (OBM) to transfer money to the All Ohio Future Fund from the following sources:

1. The Oil and Gas Well Fund, if the Director determines that there is sufficient cash balance in the Oil and Gas Well Fund in excess of need; and
2. A portion or all of any deferred payments paid to the state under the JobsOhio liquor franchise agreement.

The bill further provides that the fund retains its own investment earnings.

The bill requires the Controlling Board to release monies from the fund before they may be spent. Additionally, the bill allows the Controlling Board to exceed the limit on approving expenditure of unanticipated or excess revenue to the All Ohio Future Fund, provided there is a sufficient balance in the fund to support the increase. The Controlling Board is otherwise limited to approving such expenditures in amounts less than 0.05% of the GRF appropriations for that fiscal year.¹³

OBM reporting requirements

(R.C. 126.30, 131.02, 153.17, 3333.021, 3333.12, 3333.122, 5123.0412, 5727.28, 5727.42, and 5727.91; repealed R.C. 131.38)

The bill eliminates the following reporting requirements for agencies to submit certain information to OBM:

- Interest charges paid related to an agency's purchase or lease of goods or services;
- Unpaid amounts due to the state that an agency is unable to collect;
- Information on segregated custodial funds maintained by an agency;
- Notification, by the owner of a public work, of execution of a takeover contract for the takeover of a defaulted public works contract;
- Refunds of certain higher education grants provided by the Department of Higher Education; and
- Tax refunds to certain entities.

The bill also removes OBM from a list of recipients to which the Chancellor of Higher Education must send a fiscal analysis prior to the implementation of any action or adoption of a rule with an expected fiscal effect. Finally, it removes OBM as a recipient for a Department of Development Disabilities' report on use of the Department of Developmental Disabilities Administration and Oversight Fund.

¹³ R.C. 131.35, not in the bill.

Routine support services for boards and commissions

(R.C. 126.25 and 126.42; Sections 516.10 and 525.10)

The bill eliminates the Central Service Agency currently located within DAS. The Agency provides routine support services to various boards and commissions. Those services will be provided by OBM instead. The bill adds “human resources and personnel services” as a routine support service and removes language specifying that initiating or denying personnel or fiscal actions is not considered routine support services.

Finally, the bill eliminates the Controlling Board’s authority to exempt a board or commission from using the centralized services.

Annual comprehensive financial reports

(R.C. 126.21, 126.46, and 5537.17)

The bill changes the name of the state report the OBM Director must issue from a “comprehensive annual financial report” to an “annual comprehensive financial report.” Under continuing law, this financial report of the state must cover all funds handled by OBM, including basic financial statements and required supplementary information prepared in accordance with generally accepted accounting principles, as well as any other information required by the Director. The bill also makes a conforming change in the State Audit Committee Law; continuing law requires the Committee to review and comment on OBM’s report preparation process regarding the renamed report.

The bill also changes the name of a report the Ohio Turnpike and Infrastructure Commission must issue from a “comprehensive annual financial report” to an “annual comprehensive financial report.” Under current law, the report must outline the complete operating and financial statement covering the Commission’s operations and funding of any turnpike projects and infrastructure projects for each year.

CASINO CONTROL COMMISSION

Promotional gaming credits in sports gaming

- Requires, if a sports gaming proprietor provides promotional gaming credits that are advertised as “free” or “risk-free,” the gaming credits must not require a person to incur any loss, deposit any funds, or risk the person’s own money to use or withdraw winnings from the wager.
- Prohibits promotional gaming credits from restricting a person from withdrawing the person’s own funds or withdrawing any winnings from wagers placed using the person’s own funds.
- Provides that an advertisement or promotion is false, misleading, or deceptive, for the purposes of sports gaming restrictions, if the advertisement or promotional credits violate this provision.
- Permits the Ohio Casino Control Commission (OCCC) to restrict or prohibit a sports gaming proprietor from providing promotional gaming credits to patrons if OCCC determines that the sports gaming proprietor offered a promotional gaming credit in violation of this provision.

Sports gaming involuntary exclusion list

- Allows OCCC to prohibit a person from participating in sports gaming in Ohio if the person has threatened violence or harm against a person who is involved in a sporting event, where that threat was related to sports gaming with respect to that sporting event.

Promotional gaming credits in sports gaming

(R.C. 3775.10)

The bill prohibits sports gaming proprietors, if offering promotional gaming credits described as “free” or “risk-free,” from requiring a person to incur any loss, deposit any funds, or risk the person’s own money to use or withdraw winnings from the wager.

The bill also prohibits promotional gaming credits from restricting a person from withdrawing the person’s own funds or withdrawing any winnings from wagers placed using the person’s own funds.

Sports gaming became legal in Ohio on January 1, 2023. Continuing law permits sports gaming proprietors to provide promotional gaming credits to patrons, subject to oversight from OCCC.

The bill specifies that any advertisement or promotion that violates these prohibitions, for instance an advertisement for “free” promotional credits that require a person to risk the person’s own money, or a promotional credit that restricts a person from withdrawing the person’s winnings, is considered false, misleading, or deceptive to a reasonable consumer for the purpose of determining violations of sports gaming provisions, and imposing penalties and fines.

The bill additionally empowers OCCC to restrict or prohibit a sports gaming proprietor from providing promotional gaming credits to patrons if OCCC determines that the proprietor offered a promotional gaming credit in violation of these provisions.

Sports gaming involuntary exclusion list

(R.C. 3772.01 and 3772.031; Section 737.20)

The bill allows OCCC to prohibit a person from participating in sports gaming in Ohio if the person has threatened violence or harm against a person who is involved in a sporting event, where that threat was related to sports gaming with respect to that sporting event. The bill states separately, in uncodified law, that this provision applies to any threat, attempted threat, or illegal activity that impacts the integrity of sports gaming, regardless of whether it occurs before, during, or after a sporting event.

For purposes of the provision described above, a person is considered to be involved in a sporting event if the person is an athlete, participant, coach, referee, team owner, or sports governing body with respect to the sporting event; any agent or employee of such a person; or any agent or employee of an athlete, participant, or referee union with respect to the sporting event. This is the same as the list of persons who, under continuing law, may not participate in sports gaming because of their involvement in sporting events.¹⁴

Under continuing law, OCCC may add a person to its sports gaming involuntary exclusion list for a number of reasons, including past gaming law violations, a reputation for dishonest gaming activities, or posing a threat to the safety of a sports gaming facility's patrons or employees. A person who is added to the involuntary exclusion list is entitled to notice and an opportunity for a hearing before being excluded.

¹⁴ R.C. 3775.13(F), not in the bill.

DEPARTMENT OF CHILDREN AND YOUTH

Creation of the Department

- Creates the Department of Children and Youth to serve as the state’s primary children’s services agency and establishes the position of Director of Children and Youth.
- Requires the Department to facilitate and coordinate the delivery of children’s services in Ohio.
- Requires the Directors of Children and Youth, ODJFS, Education, ODH, Developmental Disabilities, ODM, OhioMHAS, and Development to develop a plan to transfer children’s services duties, functions, programs, and staff resources to the new department by January 1, 2025.
- Transfers various programs and duties from ODJFS, Education, ODH, Developmental Disabilities, and OhioMHAS to the Department of Children and Youth on January 1, 2025, and makes conforming changes throughout the Revised Code.

Youth online parental notification

- Requires an online operator that requires a consumer to register, sign up, or otherwise create a unique username to access or utilize the online website, service, product, or feature to obtain parental consent from any consumer who is under 16 and not emancipated.
- Provides the specified methods in which parental consent must be obtained in order to comply with the requirement.
- Gives the Attorney General exclusive authority to enforce the new requirement and specifies civil penalties for violations, which include up to \$1,000 for each day the operator fails to comply with the new requirement, and increased civil penalties if the violation continues past 60 days and 90 days.
- Prohibits a private right of action for any violation.

Department of Children and Youth

(R.C. 5180.01 and 5180.02 (primary), 121.02, 121.03, 121.35, 121.37, 121.40, 3109.15, 3109.16, 3109.17, 3109.179, 5101.34, 5101.341, and 5101.342; Sections 130.10 to 130.16)

The bill creates the Department of Children and Youth to serve as the state’s primary children’s services agency and establishes the position of Director of Children and Youth as a member of the Governor’s cabinet. Under the bill, the Department must facilitate and coordinate the delivery of children’s services in Ohio, including services provided by government programs that focus on the following:

- Adoption, child welfare, and foster care services;

- Early identification and intervention regarding behavioral health, including early intervention services, early childhood mental health initiatives, multi-system youth services, and family support services administered through the Ohio Family Children First Cabinet Council, Ohio Commission on Fatherhood, and Children’s Trust Fund Board;
- Early learning and education, including child care and preschool licensing, early learning assessments, Head Start, preschool special education, publicly funded child care, and the Step Up to Quality program;
- Maternal and child physical health, including infant vitality, home visiting, maternal and child health, maternal and infant support, and Medicaid-funded child health services.

Administering the Department

The bill requires the Director of Children and Youth, the Department’s chief executive and appointing authority, to administer the Department and implement the delivery of children’s services, including by doing the following:

- Adopting rules in accordance with state law;
- Approving and entering into contracts, agreements, and other business arrangements on the Department’s behalf;
- Making appointments to the Department and approving actions related to departmental employees and officers, including their hiring, promotion, termination, discipline, and investigation;
- Directing the performance of employees and officers;
- Applying for grants and allocating any funds awarded;
- Any other action as necessary to implement the bill’s provisions.

As part of administering the Department and implementing the delivery of children’s services, the bill grants the Director the authority to organize the Department for its efficient operation, including by creating divisions or offices within it. The Director also may establish procedures for the Department’s governance and performance, employee and officer conduct, and the custody, preservation, and use of departmental books, documents, papers, property, and records. The bill requires the Director or Director’s designee to fulfill any duty or perform any action that, by law, is imposed on or required of the Department.

The bill also requires each state and local agency involved in the delivery of children’s services to comply with any directive issued by the Director and to collaborate with the Department.

Children’s Trust Fund Board, Ohio Commission on Fatherhood, and Ohio Family and Cabinet First Cabinet Council

The bill maintains the Children’s Trust Fund Board and Ohio Commission on Fatherhood, but transfers them to the Department rather than ODJFS as under current law. The bill also

includes the Director of Children and Youth in the membership of the Ohio Family and Children First Cabinet Council. These changes take effect 90 days after the bill's effective date.

Transitional language related to transfer to Department of Children and Youth

The bill addresses the transfer of duties, functions, and programs to the Department as well as other issues relating to its creation, including by doing the following:

- Requiring the Directors of Children and Youth, ODJFS, Education, ODH, Developmental Disabilities, ODM, OhioMHAS, and Development or their designees to identify duties, functions, programs, and staff resources related to children's services within their departments;
- Requiring the Directors to develop a detailed organizational plan to implement the transfer of the identified duties, functions, programs, and resources to the new department by January 1, 2025, and enter into a memorandum of understanding regarding the transfer;
- Specifying that any business commenced but not completed by January 1, 2025, within the other departments that is slated to be transferred to the new department is to be completed by the Department of Children and Youth or its Director in the same manner, and with the same effect, as if completed by the other departments;
- Transferring all employees and staff resources identified by the Directors on January 1, 2025, or an earlier date chosen by the Directors and specifying that they retain their same positions and benefits;
- Authorizing the Directors to jointly or separately enter into contracts for staff training and development to facilitate the transfer;
- Specifying that no validation, cure, right, privilege, remedy, obligation, or liability is lost or impaired by reason of the transfer but is to be administered by the Department of Children and Youth;
- Specifying that no action or proceeding pending on the date of the transfer is affected by the transfer and is to be prosecuted or defended in the name of the Department or Director;
- Specifying that all rules, orders, and determinations relating to children's services programs made or undertaken before the transfer continue in effect as rules, orders, and determinations of the new Department until modified or rescinded by it;
- Transferring to the new Department all records, documents, files, equipment, assets, and other materials of the transferred programs and staff resources;
- Requiring the OBM Director to make budget and accounting changes to implement the transfer of duties, programs, and functions.

Collective bargaining

The bill specifies that the creation of the new Department and transfer of programs, duties, and employees are not appropriate subjects for public employees' collective bargaining.

Authority regarding employees

The bill authorizes the Director of Children and Youth to establish, change, and abolish positions for the Department and to assign, reassign, classify, reclassify, transfer, reduce, promote, or demote employees who are not subject to state law governing public employees' collective bargaining.

This authority includes assigning or reassigning an exempt employee to a bargaining unit classification if the Director determines that the bargaining unit classification is the proper classification for that employee. If an employee in the E-1 pay range is to be assigned, reassigned, classified, reclassified, transferred, reduced, or demoted to a position in a lower classification, the Director, or in the case of a position transferred outside of the Department, the Director of Administrative Services, must assign the employee to the appropriate classification and place the employee in Step X. The employee is not to receive any increase in compensation until the maximum rate of pay for that classification exceeds the employee's compensation.

Actions of the Director of Children and Youth taken under this authority are not subject to appeal to the State Personnel Review Board.

Retirement incentive plan

The bill authorizes the Directors included in the transition workgroup described above, with the approval of OBM, to establish a retirement incentive plan for employees of the departments who are members of the Ohio Public Employees Retirement System and whose job duties will be transferred to the new Department of Children and Youth. Any such plan must remain in effect until December 31, 2024.

Renumbering administrative rules

On and after January 1, 2025, if necessary to ensure the integrity of the numbering of the Administrative Code, the Legislative Service Commission Director must renumber the rules related to children's services programs transferred to the Department of Children and Youth to reflect the transfer.

Conforming amendments

In Sections 130.12 to 130.16, the bill makes extensive conforming changes throughout the Revised Code to reflect the transfer of the following children's services programs to the Department of Children and Youth effective January 1, 2025:

- Adoption;
- Child care;
- Child welfare, including foster care;

- Early childhood education (note that the Department of Education retains authority over preschool teachers and staff, but the Department of Children and Youth will license preschool programs);
- Early intervention services under Part C of the federal Individuals with Disabilities Education Act;¹⁵
- Help Me Grow and home visiting;
- Maternal and infant vitality, including the Commission on Infant Mortality, shaken baby syndrome education, and safe sleep screening and education;
- Preschool special education.

It also adds the Director of Children and Youth to various boards and commissions involving children's services, such as the Child Care Advisory Council, the Commission on Infant Mortality, and the Ohio Home Visiting Consortium.

Delegation of legislative authority

There are a number of Ohio programs and duties impacting children and youth that are not expressly transferred to the new Department by the bill. Examples include child support and paternity establishment, the Youth and Family Ombudsman's office, the Children's Health Insurance Program, the Program for Medically Handicapped Children, child fatality and fetal-infant mortality review boards, and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), among others.

With regard to the workgroup of directors described above and the organizational plan and memorandum of understanding to transfer children's services programs to the new Department, it is unclear to what extent that plan could assign other children's services programs and duties not included in this bill to the new Department without amending the Revised Code. Under the Ohio Constitution, legislative authority is vested in the General Assembly.¹⁶

Youth online parental notification

(R.C. 1349.09)

The bill prohibits any online operator from allowing a child consumer to register, sign up, or otherwise create a unique username to access the online website, service, product, or feature ("online services") unless the online operator obtains parental consent as specified in the bill prior to authorizing a child to access the online services. "Child" is defined as any consumer under 16 who is not emancipated. The bill's provisions only apply to those online operators whose online services target children or are reasonably anticipated to be accessed by a child. The bill lists several factors that may be considered as evidence that the online service targets children

¹⁵ 20 United States Code (U.S.C.) 1431 *et seq.* and regulations implementing that part in 34 Code of Federal Regulations (C.F.R.) part 303.

¹⁶ Ohio Constitution Article II, Sections 1 and 26.

or is reasonably anticipated to be accessed by a child. These include factors such as subject matter, language, visual and audio content, and other listed factors.

The online operator must obtain verifiable parental or legal guardian consent to the contractual terms of the service by doing all of the following:

1. Requiring a parent or legal guardian to sign and return to the operator a form consenting to the terms of service by postal mail, fax, or email;
2. Requiring a parent or legal guardian, in connection with a monetary transaction, to use a credit card, debit card, or other online payment system that provides notification of each discrete transaction to the primary account holder;
3. Requiring a parent or legal guardian to call a toll-free telephone number implemented by the operator and staffed by trained personnel;
4. Requiring a parent or legal guardian to connect to trained personnel via videoconference;
5. Verifying a parent's identity by checking a form of government-issued identification against databases of such information, where the parent's identification is deleted by the operator from its records promptly after such verification is complete.

After obtaining verified parental or legal guardian consent, the online operator must send written confirmation of the consent to the parent or legal guardian via email, postal mail, or fax. If the online operator made every reasonable effort but cannot secure the necessary contact information to send the written confirmation, the operator can verify consent via telephone. If the parent or legal guardian fails to give consent or refuses to give consent to the terms of service, the operator must deny access or use of the online services to the child. If the parent or legal guardian receives confirmation but determines the consent was given in error or chooses to withdraw consent, the parent or guardian must notify the operator and the operator must terminate the child's use or access to the online service within 30 days of receiving the notification from the parent or guardian.

Enforcement of the bill's provisions is exclusively under the authority of the Attorney General. The bill does not allow for a private right of action. The Attorney General has the authority to bring a civil action for the appropriate relief, including a temporary restraining order, preliminary or permanent injunction, and civil penalties. If a court finds that an online operator knew or should have known that it entered into a contract with a child without parental or legal guardian consent, the operator is liable to the Attorney General for the Attorney General's costs in conducting an investigation and bringing an action. In addition, the court must impose a \$1,000 civil penalty for each day the operator failed to comply with the bill's provisions. If the violation continues past 60 days, the court must impose a \$5,000 civil penalty for each day starting on the 61st day of the continued violation. If the violation continues past 90 days, the court must impose a \$10,000 civil penalty for each day starting on the 91st day that the violation continues. The civil penalties must be deposited to the Consumer Protection Enforcement Fund under existing law.

If an online operator is in substantial compliance, the Attorney General must provide written notice to the business before initiating a civil action, identifying the specific provisions

that have been or are being violated. If, within 90 days of this notice, the online operator cures any noticed violation and provides the Attorney General written documentation that the alleged violations have been cured, and sufficient measures have been taken to prevent future violations, the online operator cannot be liable for a civil penalty for any violation that is cured.

DEPARTMENT OF COMMERCE

Medical Marijuana

- Creates the Division of Marijuana Control (DMC) within the Department of Commerce (COM) and requires the State Board of Pharmacy (PRX) and COM to transfer the Medical Marijuana Control Program to DMC no later than December 31, 2023.
- Establishes a Superintendent of Marijuana Control to oversee DMC.
- Specifies that licenses and registrations issued by COM and PRX remain in effect for the remainder of their term and that forms of medical marijuana approved by PRX remain approved unless that approval is later revoked by DMC.
- Specifies that COM and PRX rules related to the Medical Marijuana Control Program remain in effect until repealed or amended by DMC, but requires DMC to review and propose revisions to existing rules on retail dispensaries by March 1, 2024.
- Allows DMC to investigate alleged violations of the Medical Marijuana Law, including by subpoenaing documents and witnesses.
- Requires PRX to allow DMC to access the Ohio Automated Rx Reporting System (OARRS) as needed to ensure compliance with the Medical Marijuana Law.
- Makes conforming changes throughout the Revised Code.

Division of Financial Institutions

- Replaces the requirement that the Superintendent of Financial Institutions obtain a criminal records check in relation to a person who controls a bank, or has a substantial interest in or participates in managing a bank, with a requirement that the Superintendent request a criminal records check of a person who exercises “control” of a bank.
- Defines “control” as the power to vote, directly or indirectly, at least 25% of the voting shares or interests or the power to elect or appoint a majority of executive officers or directors.
- Rebuttably presumes a person to exercise control when the person holds the power to vote, directly or indirectly, at least 10% of the voting shares or interests.

State Fire Marshal

- Eliminates the Underground Storage Tank Revolving Loan Program under which the State Fire Marshal may issue loans to political subdivisions to assist with costs in removing underground storage tank systems that store petroleum and hazardous substances.
- Repeals the law establishing the Underground Storage Tank Revolving Loan Fund, which is used for purposes of the program.

Division of Industrial Compliance

Manufactured homes

- Expands the scope of manufactured home installation inspections by requiring the Division of Industrial Compliance, local building departments, or certified private entities to conduct the inspections anywhere in Ohio, not just in manufactured home parks.

Board of Building Standards

- Requires the Board of Building Standards to establish a grant program for local building departments to increase recruitment, training, and retention of qualified personnel.
- Specifies that money for the grant program is to come from the Industrial Compliance Operating Fund.

Division of Liquor Control

Duplicate liquor permits

- Does both of the following regarding duplicate liquor permits issued by the Division of Liquor Control:
 - Requires all liquor permit holders that may serve alcohol for on-premises consumption, rather than only certain permit holders as in current law, to obtain a duplicate permit in order to serve alcohol from an additional bar at the permit premises beyond the two bars authorized by the original permit; and
 - Requires the duplicate permit fee for each added bar to be the higher of \$100 or 20% of the fee payable for the original permit issued for the premises, rather than specific fee amounts depending on the type of permit issued as in current law.

Micro-distillery surety bond

- Requires an A-3a liquor permit holder (micro-distillery) to execute a surety bond in an amount established by the Division that is conditioned on the faithful performance of the permit holder's duties.

Liquor permit cancellations

- Repeals the law that requires the Liquor Control Commission to cancel liquor permits for certain reasons, including the permit holder's death or bankruptcy.

Division of Real Estate and Professional Licensing

Real estate brokers

- Modifies the prerequisites to take the real estate broker's examination by:
 - Requiring that an applicant have worked as a licensed real estate broker or salesperson for at least two of the five years preceding the application; and
 - Removing the requirement that the applicant have worked as a licensed real estate broker or salesperson for an average of 30 hours per week.

- Requires the Superintendent of Real Estate and Professional Licensing to forward any identifying information to the Attorney General if a person fails to pay a civil penalty for certain unlicensed or unregistered activity.

Disciplinary actions

- Limits to state or federally chartered institutions where a person holding a real estate broker or salespersons license must, for the purpose of receiving escrow funds and security deposits, or for the purpose of depositing and maintaining funds in the course of real property management on the behalf of others, maintain a special or trust bank account.
- Permits the Superintendent to take disciplinary action against a license holder for having been judged incompetent in any capacity, as opposed to simply for the purpose of holding a real estate license.

Administration of funds

- Creates the Cemetery Registration Fund and requires burial permit fees to be deposited into the new fund, instead of to the Division generally, but with the same purpose.
- Eliminates the Cemetery Grant Fund and redirects deposits to the Cemetery Registration Fund and eliminates a restriction on the total value of grants permitted to be issued in a single fiscal year.
- Eliminates the Real Estate Education and Research Fund, Manufactured Homes Regulatory Fund, Home Inspectors Fund, and Real Estate Appraiser Operating Fund, and redirects deposits going to these funds under existing law to the existing Division of Real Estate Operating Fund.
- Expands the purposes for which the Real Estate Operating Fund may be used to include the purposes for which the eliminated funds may be used.
- Allows instead of requires, as in current law, the Ohio Real Estate Commission to use operating funds (instead of the Real Estate Education and Research Fund) for education and research.
- Allows the Superintendent to collect a service fee from the Real Estate Recovery Fund to defray the cost of administering the fund, rather than requiring the Superintendent to collect the service fee.

Confidentiality of investigatory information

- Expands the Division of Real Estate and Professional Licensing's ability to share investigatory information with the Division of Securities, Division of Industrial Compliance, and any law enforcement agency.
- Makes a technical correction.

Home Inspector Board

- Requires the Ohio Home Inspector Board annually to elect a chair and vice chair from among its membership by majority vote.
- Requires the Board to meet at least once quarterly.
- Specifies that a quorum consists of a majority of the members of the Board and requires a quorum in order for the Board to conduct its business.
- Allows the Board to adopt any rules necessary to further the Home Inspector Law, in addition to the rule topics specified in the Revised Code.
- Authorizes the Board to request the Superintendent of Real Estate and Professional Licensing to initiate investigations of possible violations of the Home Inspector Law.
- Requires, rather than allows, the Board to impose a special assessment, not to exceed \$5 per year, on each person applying for a license to perform home inspections (or renewal of such a license) whenever the balance of the Home Inspection Recovery Fund is less than \$1 million.
- Eliminates the Board's authority to hear appeals from orders of the Superintendent regarding claims against the Home Inspector Recovery Fund.

Home inspectors

- Modifies the deadline by which a licensed home inspector must complete continuing education hours by requiring 42 hours to be completed every three years, rather than 14 hours annually during each three-year period the home inspector's license is valid as under current law.

Division of Securities

- Requires that prosecutions and acts by the Division of Securities or the Director of Commerce for a violation of Securities Law commence within six years after the commission of the alleged violation.
- Provides that, if the period of limitation has expired and an element of the offense is fraud or breach of fiduciary duty, prosecution commences within one year after the discovery of the offense by the aggrieved person or the aggrieved person's legal representative.
- Specifies that an offense is committed when every element of the offense occurs.
- Provides that the period of limitation does not run during any time when the *corpus delicti* (physical element of a crime) remains undiscovered.

Medical Marijuana

(R.C. 121.04, 121.08, 3796.02, 3796.03, 3796.032, 3796.04 (repealed), 3796.05, 3796.06, 3796.061, 3796.08, 3796.10, 3796.11, 3796.12, 3796.13, 3796.14, 3796.15, 3796.16, 3796.17, 3796.19, 3796.20, 3796.22, 3796.23, 3796.27, 3796.30, 3796.32, and 4776.01; Section 525.20; conforming changes in R.C. 109.572, 1321.37, 1321.53, 1321.64, 4735.143, 4763.05, 4764.06, 4764.07, 4768.03, and 4768.06)

Transfer to Division of Marijuana Control (DMC)

The bill consolidates oversight of the Medical Marijuana Control Program within the Division of Marijuana Control (DMC), which the bill creates within the Department of Commerce (COM). To oversee DMC, the bill establishes a Superintendent of Marijuana Control who reports to the Director of Commerce. Currently, oversight of the Medical Marijuana Control Program is split between COM and the State Board of Pharmacy (PRX), with COM being responsible for licensing and oversight of cultivators, processors, and testing laboratories and PRX being responsible for licensing and oversight of medical marijuana patients, caregivers, and dispensaries. Accordingly, the bill transfers all assets, liabilities, and obligations of COM and PRX related to medical marijuana to DMC.

The bill requires the transfer to be complete no later than December 31, 2023. Until then, PRX and COM retain their respective marijuana licensing and oversight responsibilities. Persons seeking registration as a medical marijuana patient or caregiver must apply to PRX until the 180th day following the effective date of the bill's changes. After that date, such applications must be submitted to DMC. Consequently, it appears that PRX will continue to receive applications for patient and caregiver registrations for a least three months after the Medical Marijuana Control Program is fully transferred to DMC. Presumably, PRX would send those applications to DMC for processing.

The bill specifies that medical marijuana licenses and registrations issued by PRX and COM remain in effect for the remainder of their term. If a license or registration expires before the program transfer is complete, the original issuer (PRX or COM) may renew it under the law as it existed before the bill's effective date. Forms of medical marijuana previously approved by PRX remain approved unless DMC later revokes the approval.

Rules

DMC is required to adopt rules, standards, and procedures for the Medical Marijuana Control Program. The topics of those rules closely mirror those mandated for COM and PRX under current law. COM and PRX rules continue in effect unless they are repealed or amended by DMC. However, the bill requires DMC to review and propose revisions to the PRX rules concerning medical marijuana retail dispensaries no later than March 1, 2024.

Investigations

The bill allows DMC to initiate and conduct an investigation, and subpoena witnesses and documents, whenever there appears to be a violation of the Medical Marijuana Law, or when DMC otherwise believes it to be in the best interest of medical marijuana patients or the general

public. A person that fails to comply with a DMC order or subpoena may be held in contempt by a court of common pleas of appropriate jurisdiction.

Drug database usage

The bill requires PRX to grant DMC access to the Ohio Automated Rx Reporting System (OARRS) as needed to ensure compliance with the Medical Marijuana Law. OARRS is a drug database used by PRX to prevent the misuse of controlled substances and other dangerous drugs.

Division of Financial Institutions

Criminal records checks

(R.C. 1121.23)

The bill replaces the requirement that the Superintendent of Financial Institutions obtain a criminal records check in relation to a person who directly or indirectly controls a bank, or has a substantial interest in or participates in the management of a bank, with a requirement that the Superintendent request a criminal records check of a person who exercises “control” of a bank. The bill defines “control” as the power to vote, directly or indirectly, at least 25% of outstanding voting shares or voting interests of a licensee or person in control of a licensee, or the power to elect or appoint a majority of executive officers or directors.

The bill creates a presumption that a person exercises control when that person holds the power to vote, directly or indirectly, at least 10% of outstanding voting shares or voting interests of a licensee or a person in control of a licensee. However, this presumption can be rebutted by establishing that the person is a passive investor by a preponderance of the evidence. To determine the percentage of a person controlled by any person, that person’s interest is aggregated with any other immediate family member. This includes a spouse, parents, children, siblings, in-laws, and any other person who shares their home.

The bill also provides definitions for several terms that are not defined for purposes of this provision.

“**Director**” means an individual elected to serve as the director of a for-profit corporation or a nonprofit corporation.

“**Executive officer**” means president, treasurer, secretary, any individual at or above the senior vice-president level or its functional equivalent, any individual at the vice-president level or its functional equivalent if the organization does not have senior vice-presidents, and “manager” as that term is defined in the Ohio Revised Limited Liability Company Act (LLC Law) (a person designated by the LLC or its members with the authority to manage all or part of the activities or affairs of the LLC on its behalf, regardless of their title).

“**Incorporator**” has the same meaning as in Ohio’s General Corporation Law: a person who signed the original articles of incorporation.

“**Organizer**” has the same meaning as in the LLC Law: a person executing the initial articles of organization.¹⁷

Because continuing law requires the Superintendent to request a criminal records check for someone to serve as an organizer, incorporator, director, or executive officer, the bills adds these definitions to clarify precisely who that includes in this context.

State Fire Marshal

Underground Storage Tank Revolving Loan Program

(R.C. 3737.02, 3737.88, and 3737.882; repealed R.C. 3737.883)

The bill eliminates the Underground Storage Tank Revolving Loan Program and the accompanying Underground Storage Tank Revolving Loan Fund. Under the program, a political subdivision may apply for a loan from the State Fire Marshal to assist with the costs of removing underground storage tank systems that store petroleum and hazardous substances. The loans are for sites where a responsible party is unknown or unable to financially pay for the removal of the storage tank. The State Fire Marshal must adopt rules to administer and operate the program, including establishing qualifying criteria for loan recipients. The fund is used to make underground storage tank revolving loans. The fund currently has no cash balance.

Division of Industrial Compliance

Manufactured homes

(R.C. 4781.04)

The bill expands the scope of inspections relating to the installation of manufactured housing by requiring the Division of Industrial Compliance to adopt rules requiring the Division, local building departments, or certified private third parties to conduct such inspections anywhere in Ohio.

Current law requires the Division, local building departments, or certified private third party entities to conduct these inspections for manufactured housing located in manufactured home parks. Under current law, manufactured homes that are installed on any tract of land that is subdivided, even if those lots are sold for the purpose of installing a manufactured home, are beyond the scope of installation inspections. Similarly, manufactured homes installed on their own individual tracts of land are beyond the scope of these inspections.

¹⁷ R.C. 1701.01, 1701.55, 1702.26, and 1706.01, not in the bill.

Board of Building Standards

Grant program

(R.C. 3781.10 and 3781.102)

The bill requires the Board of Building Standards to establish a grant program for local building departments to increase recruitment, training, and retention of qualified personnel. Currently, the Board:

- Formulates, adopts, and amends relevant building standard law;
- Certifies municipal, county, and township building departments to exercise authority, approve plans, and conduct inspections; and
- Conducts hearings.

The bill specifies that the money for the grant program is to come from the Industrial Compliance Operating Fund. The Industrial Compliance Operating Fund receives a variety of fees collected by the Division of Industrial Compliance and is maintained by COM.¹⁸

Division of Liquor Control

Duplicate liquor permits

(R.C. 4303.30)

Current law requires certain liquor permit holders that serve alcohol for on-premises consumption to obtain a duplicate permit if the permit holder wishes to add an additional bar at the permit premises beyond the two bars authorized by the original permit. The liquor permit holders subject to this requirement are the D-2, D-3, D-3a, D-4, D-4a, D-5, D-5a, D-5b, D-5e to D-5o, and D-6 permit holders. According to the Division of Liquor Control, a D-1, D-2x, or D-3x permit holder is not required to obtain a duplicate permit if the additional bar is exclusively used for the sale of beer. Further a D-3x permit holder is not required to obtain a duplicate permit if the additional bar is exclusively used for the sale of wine. An A-1-A permit holder must obtain a duplicate bar permit for an additional bar only if the permit holder obtains a D-6 permit (Sunday sales of alcohol).

The bill requires all liquor permit holders that serve alcohol for on-premises consumption to obtain a duplicate permit if the permit holder wishes to add more than two bars. It also revises the per bar permit fee for a duplicate permit as follows:

Permit	Current law	The bill
A-1-A with a D-6	\$781.20	\$781.20
A-1	Not authorized	\$781.20

¹⁸ R.C. 121.084.

Permit	Current law	The bill
A-1c	Not authorized	\$200
A-2/A-2f	Not authorized	\$100
A-5	Not authorized	\$200
B-1	Not authorized	\$625
B-2	Not authorized	\$100
B-2a	Not authorized	\$100
B-3	Not authorized	\$100
B-4	Not authorized	\$100
B-5	Not authorized	\$312.60
D-2	\$100	\$112.80
D-3	\$400	\$150
D-3a	\$400	\$187.60
D-4	\$200	\$100
D-4a	Not authorized	\$150
D-5	\$1,000	\$468.80
D-5a	\$1,000	\$468.80
D-5b	\$1,000	\$468.80
D-5c	\$400	\$312.60
D-5d	Not authorized	\$468.80
D-5e	\$650	\$243.80
D-5f	\$1,000	\$468.80
D-5g	\$375	\$375
D-5h	\$375	\$375

Permit	Current law	The bill
D-5i	\$468.80	\$468.80
D-5j	\$468.80	\$468.80
D-5k	\$375	\$375
D-5l	\$468.80	\$468.80
D-5m	\$468.80	\$468.80
D-5n	\$4,000	\$4,000
D-5o	\$1,000	\$468.80
E	Not authorized	\$100
F class	Not authorized	\$100 to \$340

Micro-distillery surety bond

(R.C. 4303.041)

The bill requires an A-3a liquor permit holder (micro-distillery) to execute a surety bond that is conditioned on the faithful performance of the permit holder's duties. Those duties include selling spirituous liquor in sealed containers for off-premises consumption on the Division's behalf. The bill requires the Division to establish the amount of the surety bond.

Liquor permit cancellations

(R.C. 4301.26)

The bill repeals the law that requires the Liquor Control Commission to cancel a liquor permit for any of the following reasons (except as provided in the rules of the Division of Liquor Control relative to transfers of a permit):

1. In the event of the permit holder's death or bankruptcy;
2. The making of an assignment for the benefit of the permit holder's creditors; or
3. The appointment of the permit holder's property.

According to the Division, the Commission has no authority to cancel liquor permits since the Division is the permitting authority.

Division of Real Estate and Professional Licensing

Real estate brokers

Licensure

(R.C. 4735.07)

The bill modifies the work requirements to take the real estate broker's examination. Current law requires an applicant to have been a licensed real estate broker or salesperson for at least two years. Additionally, the applicant must have worked as a licensed real estate broker or salesperson for an average of 30 hours per week during at least two of the five years preceding that person's application.

The bill changes the requirement that the applicant have been a licensed real estate broker or salesperson for at least two years by requiring that those two years take place during the five years preceding the application. This change means that applicants for the examination must have two years of recent experience, but does not require that those two years be consecutive or immediately precede the application.

The bill also removes the requirement that an applicant have worked as a licensed real estate broker or salesperson for an average of at least 30 hours per week for two of the preceding five years. Under the bill, an applicant only has to have been a licensed real estate broker or salesperson for at least two of the preceding five years, and the number of hours worked each week during those two years is no longer a factor.

Civil penalty

(R.C. 4735.052)

If a person fails to pay a civil penalty the Ohio Real Estate Commission assessed for certain unlicensed or unregistered activity, the bill requires the Superintendent of Real Estate and Professional Licensing to forward to the Attorney General identifying information relating to the person. Under continuing law, the Superintendent also must forward to the Attorney General the person's name and the amount of the penalty, for purposes of collecting the penalty. The civil penalty is up to \$1,000 per violation, with each day constituting a separate violation.

Disciplinary actions

(R.C. 4735.18)

The bill limits where brokerage trust accounts may be maintained to state or federally chartered institutions located in Ohio. Current law requires that a real estate broker or salesperson license holder must maintain a special or trust bank account in a depository located in Ohio. This change applies to brokerage trust accounts for the purpose of receiving escrow funds and security deposits, as well as brokerage trust accounts for the purpose of depositing and maintaining funds in the course of real property management on behalf of others. Continuing law permits the Superintendent of Real Estate and Professional Licensing to take disciplinary actions against a license holder who fails to maintain these accounts.

The bill also permits the Superintendent to take disciplinary action against a license holder for having been judged incompetent by a court in any capacity. Current law allows for disciplinary action to be taken only when a license holder has been judged incompetent for the purpose of holding the license.

Administration of funds

(R.C. 3705.17, 4735.03, 4735.06, 4735.09, 4735.12, 4735.13, 4735.15, 4735.211, 4763.15, 4763.16, 4764.18, 4767.03, 4767.10, 4768.14, 4768.15, 4781.17, and 4781.54)

The bill makes several changes to the funds that hold fees collected by the Division of Real Estate and Professional Licensing by consolidating several funds. Under existing law, changed in part by the bill, when obtaining a burial permit, a funeral director or other person must pay the local registrar or sub-registrar a \$3 fee. From this fee, the registrar or sub-registrar keeps 50¢ and the rest, \$2.50, goes to the Division to be used for purposes of the Cemetery Law. Of the \$2.50 that goes to the Division, \$1 goes to the Cemetery Grant Fund to advance grants to cemeteries registered with the Division to defray the costs of exceptional cemetery maintenance or training cemetery personnel in the maintenance and operation of cemeteries. The bill eliminates the Cemetery Grant Fund, creates the Cemetery Registration Fund, and requires burial permit fees to be deposited into the new fund. In addition, under existing law, the Division cannot advance grants totaling more than 80% of the appropriation to the fund for that fiscal year. The bill also eliminates this restriction.

The bill also eliminates several other funds managed by the Division. It eliminates the Real Estate Education and Research Fund, Manufactured Homes Regulatory Fund, Home Inspectors Fund, and Real Estate Appraiser Operating Fund. The bill redirects deposits going to these funds under existing law to the existing Division of Real Estate Operating Fund. The bill makes several conforming changes related to the redirection of these funds.

The bill authorizes, instead of requires as in current law, the Ohio Real Estate Commission to use operating funds for the purpose of education and research in the same manner it is authorized to use the funds in the Real Estate Education and Research Fund under current law.

Lastly, the bill authorizes, rather than requires, the Superintendent of Real Estate and Professional Licensing to collect a service fee from the Real Estate Recovery Fund to defray the cost of administering the fund. The amount collected must not exceed the annual interest earnings of the fund multiplied by the federal short-term interest rate (which is 5% for 2023). Under continuing law, the Real Estate Recovery Fund is maintained to satisfy judgments against real estate brokers and salespeople who engage in professional misconduct. To support the fund, continuing law requires the Real Estate Commission to impose special assessments on brokers and salespersons renewing their licenses.¹⁹

¹⁹ [“In the matter of the Determination of the Interest Rates Pursuant to Section 5703.47 of the Ohio Revised Code \(PDF\),”](#) Ohio Department of Taxation, October 14, 2022, available on the Department of Taxation’s website: tax.ohio.gov.

Confidentiality of investigatory information

(R.C. 4735.05)

Under existing law, unchanged by the bill, when the Superintendent of Real Estate and Professional Licensing is conducting an investigation of a licensee or an applicant pursuant to a complaint, or otherwise pursuant to the Superintendent's enforcement duties, all information obtained as part of the investigation must be held confidentially by the Superintendent. Under existing law, changed in part by the bill, the Division of Real Estate and Professional Licensing is permitted to release information to the Superintendent of Financial Institutions, as it relates to nonbank consumer lending laws, to the Superintendent of Insurance, as it relates to Title Insurance Law, to the Attorney General, or to local law enforcement agencies and local prosecutors.

In addition to not preventing the release of this information to these entities, the bill clarifies that the release of information is permissive – the confidentiality requirement does not *require* the release of this information. In addition, the bill expands this provision to permit the release of information to the Division of Securities, the Division of Industrial Compliance, and in general to any law enforcement agency or prosecutor, not just a local law enforcement agency or prosecutor.

The bill also makes a technical correction by removing a legacy reference to a repealed statutory provision.

Home Inspector Board

(R.C. 4764.04, 4764.05, and 4764.21)

Under continuing law, a seven-member Home Inspector Board administers the licensure process for home inspectors. The Board's duties include:

- Establishing standards for the issuance, renewal, suspension, and revocation of licenses;
- Establishing license and renewal fees;
- Prescribing standards for continuing education; and
- Establishing requirements for conducting home inspections, standards of practice for home inspectors, and conflict of interest prohibitions.

The bill modifies the law governing Board meetings and procedures, expands its rulemaking authority, allows it to request an investigation of an alleged violation of the Home Inspector Law, and modifies its duties respecting the Home Inspection Recovery Fund.

Meetings and procedure

The bill requires that the Board elect a chair and vice chair from among its members by majority vote annually at the first regularly scheduled Board meeting after September 1. The Board must meet at least once per quarter each year. Finally, the bill specifies that (1) a majority of the members of the Board constitutes a quorum and (2) a quorum is necessary in order for the Board to conduct its regular business.

Rulemaking

The bill allows the Board to adopt any rules necessary to further the Home Inspector Law, in addition to the rule topics explicitly addressed in the Revised Code. Currently, the Board is authorized to adopt rules related to standards for conducting home inspections, licensure and renewal fees necessary to defray expenses, education and experience requirements, prohibitions against conflicts of interest, and several other topics related to the licensure and practice of home inspectors. The bill broadens the Board's rulemaking authority to uphold and maintain the Home Inspector Law.

Investigations

The bill authorizes the Board to request the Superintendent of Real Estate and Professional Licensing to initiate investigations of possible violations of the Home Inspector Law. Under continuing law, the Superintendent is authorized to investigate any person who conducts a home inspection without a license or otherwise violates the Home Inspector Law. Furthermore, the Superintendent is required to establish and maintain an investigation and audit section to investigate complaints and conduct inspections, audits, and other inquiries.²⁰ However, current law does not directly allow the Board to request that the Superintendent initiate an investigation.

Home Inspection Recovery Fund

The Home Inspection Recovery Fund is administered by the Superintendent of Real Estate and Professional Licensing for payment of judgments related to home inspectors, when the judgment creditor has exhausted other avenues for recovery. The Board, in accordance with rules it adopts, must impose a special assessment for the fund on each person applying for a license and each licensee applying for renewal.

The bill requires, rather than allows, the Board to impose that special assessment, not to exceed \$5 per year, whenever the balance of the fund is less than \$1 million as of the preceding July 1. The Board must not impose the assessment if the fund balance equals (added by the bill) or exceeds \$1 million as of the preceding July 1. Under current law, the Board is permitted to impose the \$5 special assessment when the balance of the fund is less than \$250,000, and permits the Board to impose a special assessment of up to \$3 if the balance is \$500,000 to \$1 million.

The bill also eliminates the Board's authority to hear appeals from orders of the Superintendent regarding claims against the fund. A person who obtains a final judgment against a home inspector for violating the Home Inspector Law may apply to the Franklin County Court of Common Pleas for payment from the fund if the home inspector fails to pay the judgment.²¹ The Superintendent may defend any action on the fund's behalf or settle the claim.

The Court must order the Superintendent to make a payment from the fund when the applicant proves all the following:

²⁰ R.C. 4764.06(A)(11) and 4764.16; R.C. 4764.12 to 4764.15, not in the bill.

²¹ R.C. 4764.21(B)(1).

- The applicant obtained a judgment;
- All appeals from the judgment have been exhausted and the person has given notice to the Superintendent;
- The applicant is not a judgment debtor's spouse or the spouse's personal representative;
- The applicant has diligently pursued the applicant's remedies against all the judgment debtors and all other persons liable to the applicant in the transaction for which the applicant seeks recovery from the fund;
- The application was filed not more than one year after termination of all proceedings connected to the judgment, including appeals.

Since the bill eliminates the Board's authority to hear appeals on such matters, it appears that the Court's order is final.

Home inspectors

(R.C. 4764.08)

The bill modifies the deadline by which a licensed home inspector must complete continuing education hours by requiring 42 hours to be completed every three years. Under current law, a licensed home inspector must complete at least 14 hours annually during each three-year period the home inspector's license is valid.

Division of Securities

Securities Law – period of limitation

(R.C. 1707.28)

Under continuing law, a prosecution or action by the Division of Securities or the Director of Commerce for a violation of Securities Law must not bar a prosecution or action by the Division or the Director, or be barred by any prosecution or other action, for the violation of any other provision of the Securities Law or for the violation of any other statute.

The bill requires that prosecutions and actions by the Division or the Director for a violation of Securities Law commence within six years after the commission of the alleged violation, rather than five years under current law.

The bill requires that, if the period of limitation has expired and an element of the offense is fraud or breach of fiduciary duty, prosecution commences within one year after the discovery of the offense either by an aggrieved person, or by the aggrieved person's legal representative who is not a party to the offense.

The bill specifies that an offense is committed when every element of the offense occurs. In the case of an offense of which an element is not a continuing course of conduct, the period of limitation does not begin to run until such a course of conduct or the accused's accountability for it terminates, whichever occurs first.

The bill provides that the period of limitation does not run during any time when the *corpus delicti* (physical evidence of a crime) remains undiscovered.

CONTROLLING BOARD

State purchasing thresholds

- Combines the Controlling Board (CEB) approval threshold for purchases of supplies and services (currently \$50,000 per supplier) and for leases of real property (currently \$75,000 per supplier) to create a combined amount of \$100,000 per supplier, and annually increases the amount.
- Links the competitive selection threshold for state purchases of supplies and services to the threshold for CEB approval.

Information technology contracts

- Exempts from CEB approval/the competitive selection requirement any renewal/maintenance of a previous purchase of IT supplies or services made by competitive selection or with the CEB's approval within the last six fiscal years.

State purchasing thresholds

(R.C. 125.05 and 127.16)

The bill increases the threshold for Controlling Board (CEB) approval for purchases of supplies and services (currently \$50,000) and leases of real property (currently \$75,000) to a combined figure of \$100,000 per supplier for FY 2024, and annually increases that amount by the rate of inflation (subject to a 3.5% minimum increase each fiscal year). The bill links the competitive selection threshold for state purchases of supplies and services (currently \$50,000) to the new CEB threshold.

Information technology contracts

(R.C. 127.16)

The bill exempts renewals/maintenance of a previous purchase of information technology supplies or services made by competitive selection or with the approval of the CEB within the last six fiscal years from the law that prohibits certain purchases unless they are made by competitive selection or with the approval of the CEB.

COUNSELOR, SOCIAL WORKER, AND MARRIAGE AND FAMILY THERAPIST BOARD

- Requires that four Counselor, Social Worker, and Marriage and Family Therapist (CSW) Board members be licensed as either independent social workers or social workers, provided that at least one member is a licensed social worker at the time the member is appointed to the CSW Board.
- Eliminates a requirement that not more than eight CSW Board members be of the same sex.

Board membership

(R.C. 4757.03)

The bill modifies the membership requirements for social worker members on the Counselor, Social Worker, and Marriage and Family Therapist Board. Specifically, it requires that four Board members be licensed as either independent social workers or social workers. At least one of them must be a licensed social worker at the time of appointment. Currently, two Board members must be licensed independent social workers and two members be licensed social workers.

The bill also requires that, at all times, at least one of these four Board members be an educator who teaches in a baccalaureate or master's degree social work program. Current law requires that, at all times, the social worker membership include such an educator.

The bill eliminates a requirement that not more than eight Board members be of the same sex.

OHIO DEAF AND BLIND EDUCATION SERVICES

- Establishes Ohio Deaf and Blind Education Services and places the State School for the Deaf and the State School for the Blind under it.
- Abolishes the superintendent positions for both schools and creates one superintendent for Ohio Deaf and Blind Education Services appointed by the State Board of Education.

Ohio Deaf and Blind Education Services

(R.C. 3325.01, 3325.011, 3325.02, 3325.03, 3325.04, 3325.06, 3325.07, 3325.071, 3325.08, 3325.09, 3325.10, 3325.11, 3325.12, 3325.13, 3325.15, 3325.16, and 3325.17; conforming changes in R.C. 123.211, 124.15, 3101.08, 3301.0711, 3365.07, 4117.14, 4117.15, 5162.01, and 5162.365; repealed R.C. 3325.14; and Section 525.30)

The bill establishes Ohio Deaf and Blind Education Services (ODBES) and places under it the State School for the Deaf and the State School for the Blind. ODBES must operate under the control and supervision of the State Board of Education. The State Board, on recommendation of the Superintendent of Public Instruction, must appoint a superintendent for ODBES.

The bill transfers the duties prescribed to the state schools for deaf and blind under current law to ODBES. It also abolishes the individual superintendent positions for both state schools and transfers their powers and duties to the new ODBES superintendent.

In addition, the bill:

1. Changes references to “partially deaf,” “partially blind,” and “both deaf and blind” in the law regarding the state schools to “hard of hearing,” “visually impaired,” and “deafblind,” respectively;
2. Authorizes the ODBES superintendent to create additional divisions to meet the educational needs of students throughout Ohio who are deaf, hard of hearing, blind, visually impaired, or deafblind;
3. Eliminates law that permits the Superintendent of the School for the Deaf to pay expenses for the instruction of deafblind Ohio resident children in any suitable institution;
4. Eliminates a prohibition against the State School for the Blind hiring a teacher who has not taken at least two courses in braille or otherwise demonstrated competency in it;
5. Transfers from the State Board to ODBES the responsibility to establish training programs for the parents of preschool children who are deaf, hard of hearing, blind, or visually impaired;
6. Transfers from the State Board to ODBES the responsibility to establish career-technical programs for visually impaired students and expands that responsibility to include students who are blind, deaf, hard of hearing, and deafblind; and
7. Combines the separate employees food service funds into one ODBES Employees Food Service Fund.

DEPARTMENT OF DEVELOPMENT

TourismOhio

- Renames the office within the Department of Development (DEV) responsible for promoting Ohio tourism from TourismOhio to the State Marketing Office, and charges the Office with promoting not just tourism, but also “living, learning, and working” in Ohio.

Microcredential assistance program

- Increases the maximum reimbursement amount for microcredential training providers participating in DEV’s Individual Microcredential Assistance Program from \$250,000 to \$500,000 per fiscal year.

Ohio Residential Broadband Expansion Grant Program funding

- Requires gifts, grants, and contributions provided to the DEV Director for the Ohio Residential Broadband Expansion Grant Program to be deposited in the Ohio Residential Broadband Expansion Grant Program Fund.
- Specifies that if the use of these deposits or the appropriation of nonstate funds is contingent upon meeting application, scoring, or other requirements that are different from existing law Broadband Grant Program requirements, DEV must adopt the different requirements.
- Requires a description of any differences in Broadband Grant Program requirements adopted by DEV as described above to be made available with the Broadband Grant Program application on the DEV website at least 30 days before the beginning of the application submission period.

TourismOhio name and mission

(R.C. 122.07, 122.071, 122.072, 122.073, and 149.309)

The bill renames the office within DEV responsible for promoting Ohio tourism from TourismOhio to the State Marketing Office. In addition, it charges the Office with promoting not just tourism, but also “living, learning, and working” in Ohio. The Director of the Office is also not required to be the equivalent rank of deputy director of DEV, as was the Director of TourismOhio.

The bill also renames the existing TourismOhio Advisory Board as the State Marketing Advisory Board. However, that board continues to focus on advising the state on strategies to promote tourism.

Microcredential assistance program reimbursement

(R.C. 122.1710)

The bill increases the maximum reimbursement amount for a training provider from the Individual Microcredential Assistance Program (IMAP) from \$250,000 to \$500,000 per fiscal year.

Under continuing law, approved training providers may seek reimbursement through IMAP for the cost to provide training that allows an individual to receive a microcredential, i.e., an industry-recognized credential or certificate, approved by the Chancellor of Higher Education, that a person can complete in one year or less.²² Continuing law limits a training provider's IMAP reimbursement to \$3,000 per training credential that an individual receives.

Ohio Residential Broadband Expansion Grant Program funding

(R.C. 122.4017, 122.4037, and 122.4040)

Ongoing law requires the Ohio Broadband Expansion Program Authority to award grants under the Ohio Residential Broadband Expansion Grant Program using funds from the Ohio Residential Broadband Expansion Grant Program Fund. The bill specifies that any gift, grant, and contribution received by the DEV Director for the Broadband Grant Program must be deposited in the fund. (Currently, the only funds that the law expressly requires to be deposited in the fund are payments from certain broadband providers that fail to provide tier two service as described in a challenge upheld by the Authority.²³)

Under the bill, if an appropriation for the Broadband Grant Program includes funds that are not state funds, or if the Director receives funds that are in the form of a gift, grant, or contribution to the fund, the Authority must award grants from those funds. However, if those funds are contingent on meeting application, scoring, or other requirements that are different from existing law requirements under the Broadband Grant Program, the following must occur:

- DEV must adopt the different requirements and publish a description of them with the program application on the DEV website.
- A description of any differences in application, scoring, or other program requirements must be available with the application on the DEV website at least 30 days before the beginning of the application submission period.

Background

The Broadband Grant Program awards grants to broadband providers for projects to provide "tier two broadband service" to residences in areas of the state that are "tier one areas" or "unserved areas." DEV administers the program and works in conjunction with the Authority, the entity that awards the grants according to a weighted scoring system developed by DEV in consultation with the Authority.

"Tier two broadband service" is retail wireline or wireless broadband service capable of delivering internet access at speeds of at least 25 megabits per second downstream and 3 megabits per second upstream. A "tier one area" is an area with "tier one broadband service,"

²² R.C. 122.178, not in the bill.

²³ R.C. 122.4036 and 122.4037, not in the bill.

internet access delivered at speeds of at least 10 but less than 25 megabits per second downstream and at least 1 but less than 3 megabits upstream. An “unserved area” is an area without access to tier one service or tier two service, excluding an area where construction of a network to provide tier one service or tier two service is in progress and scheduled to be completed within a two-year period.²⁴

²⁴ R.C. 122.40 to 122.4077, all but R.C. 122.4017, 122.4037, and 122.4040, not in the bill.

DEPARTMENT OF DEVELOPMENTAL DISABILITIES

County board membership

- Requires each county board of developmental disabilities to include at least one individual eligible to receive services provided by the board, in addition to two other such individuals or immediate family members of such individuals.

Developmental Disabilities Council meetings

- Eliminates the requirements that the Developmental Disabilities Council establish geographic limits and record a roll-call vote for each vote to allow a council member's remote participation.

Interagency workgroup on autism

- Designates the entity contracted to administer programs and services for individuals with autism and low incidence disabilities as the workgroup's coordinating body.
- Requires the workgroup to meet publicly at least twice per year and submit an annual report to the Department of Developmental Disabilities.

Innovative pilot projects

- Permits the Director of Developmental Disabilities to authorize, in FY 2024 and FY 2025, innovative pilot projects that are likely to assist in promoting the objectives of state law governing the Department and county boards.

County share of nonfederal Medicaid expenditures

- Requires the Director to establish a methodology to estimate in FY 2024 and FY 2025 the quarterly amount each county board is to pay of the nonfederal share of the Medicaid expenditures for which the board is responsible.

County subsidies used in nonfederal share

- Requires, under certain circumstances, that the Director pay the nonfederal share of a claim for ICF/IID services using subsidies otherwise allocated to county boards.

Medicaid rates for homemaker/personal care services

- For 12 months, requires the Medicaid rate for each 15 minutes of routine homemaker/personal care services provided to a qualifying enrollee in the Individual Options Medicaid waiver program be 52¢ higher than the rate for services to an enrollee who is not a qualifying enrollee.

Competitive wages for direct care workforce

- Requires that certain funds contained in the bill for provider rate increases be used to increase wages and needed workforce supports to ensure workforce stability and greater access to care for Medicaid recipients.

Direct Support Professional Quarterly Retention Payments Program

- Establishes the Direct Support Professional Quarterly Retention Payments Program to be administered by the Department during FY 2024 and FY 2025.

Intermediate care facilities for individuals with intellectual disorders (ICFs/IID)

ICF/IID payment rate

- Increases the ICF/IID per Medicaid day payment rate by adding to the formula a professional workforce development payment amount.

New ICF/IID Medicaid peer group for certain youth

- For purposes of ICF/IID Medicaid payments, creates a new peer group for youth in need of intensive behavior support services.

Recoupment for ICF/IID downsizing delay

- Repeals law requiring recoupment of payments made to ICFs/IID under a program that no longer exists.

Obsolete report repeal

- Repeals law requiring the Department to submit a report to the General Assembly in 2003, 2004, and 2005.

County board membership

(R.C. 5126.022)

The bill modifies the composition of each board of developmental disabilities by requiring each board to include at least one individual who is eligible to receive services provided by the board. Continuing law also requires the board to include two individuals who are eligible for services or are immediate family members of such individuals.

Developmental Disabilities Council meetings

(R.C. 5123.35)

The bill removes two requirements related to remote meetings of the Ohio Developmental Disabilities Council. First, it removes the prerequisite that, for a Council member to participate in a meeting remotely by teleconference, roll call votes must be made for each vote taken. Second, it removes a requirement that the Council establish a geographic restriction for video conference or teleconference participation under the Council's rulemaking authority.

Interagency workgroup on autism

(R.C. 5123.0419)

The bill designates the entity contracted to administer programs and coordinate services for infants, preschool and school age children, and adults with autism and low incidence disabilities as the coordinating body of the interagency workgroup on autism that exists under continuing law.²⁵ The workgroup is tasked with addressing the needs of individuals with autism and their families.

The bill requires the workgroup to submit an annual report to the Department of Developmental Disabilities detailing the group's recommendations as well as priorities and goals for the coming year. Under the bill, the coordinating body is responsible for ensuring the report is compiled and submitted and must contract with the Department to implement the recommendations made by the workgroup as well as any additional initiatives.

Finally, the bill requires the workgroup to meet publicly at least twice each year to report its work to the public and hear feedback.

Innovative pilot projects

(Section 261.120)

For FY 2024 and FY 2025, the bill permits the Director to authorize the continuation or implementation of innovative pilot projects that are likely to assist in promoting the objectives of state law governing the Department and county boards. Under the bill, a pilot project may be implemented in a manner inconsistent with the laws or rules governing the Department and county boards; however, the Director cannot authorize a pilot project to be implemented in a manner that would cause Ohio to be out of compliance with any requirements for a program funded in whole or in part with federal funds. Before authorizing a pilot project, the Director must consult with entities interested in the issue of developmental disabilities, including the Ohio Provider Resource Association, Ohio Association of County Boards of Developmental Disabilities, Ohio Health Care Association/Ohio Centers for Intellectual Disabilities, the Values and Faith Alliance, and ARC of Ohio.

County share of nonfederal Medicaid expenditures

(Section 261.100)

The bill requires the Director to establish a methodology to estimate in FY 2024 and FY 2025 the quarterly amount each county board is to pay of the nonfederal share of the Medicaid expenditures for which the board is responsible. With certain exceptions, existing law requires the board to pay this share for waiver services provided to an eligible individual. Each quarter, the Director must submit to the board written notice of the amount for which the board is responsible. The notice must specify when the payment is due.

²⁵ R.C. 3323.32 (not in Section 101.01 of the bill).

County subsidies used in nonfederal share

(Section 261.130)

The bill requires the Director to pay the nonfederal share of a claim for ICF/IID services using funds otherwise appropriated for subsidies to county boards if (1) Medicaid covers the services, (2) the services are provided to an eligible Medicaid recipient who does not occupy a bed that was included in the Medicaid-certified capacity of another ICF/IID certified before June 1, 2003, (3) the services are provided by an ICF/IID whose Medicaid certification was initiated or supported by a county board, and (4) the provider has a valid Medicaid provider agreement when services are provided.

Medicaid rates for homemaker/personal care services

(Section 261.140)

The bill requires that the total Medicaid payment rate for each 15 minutes of routine homemaker/personal care services provided to a qualifying enrollee of the Individual Options Medicaid waiver program be 52¢ higher than the rate for services provided to an enrollee who is not a qualifying enrollee. The higher rate is to be paid only for the first 12 months, consecutive or otherwise, that the services are provided beginning July 1, 2023, and ending July 1, 2025. An Individual Options enrollee is a qualified enrollee if all of the following apply:

- The enrollee resided in a developmental center, converted ICF/IID,²⁶ or public hospital immediately before enrolling in the Individual Options waiver.
- The enrollee did not receive before July 1, 2011, routine homemaker/personal care services from the Medicaid provider that is to receive the higher Medicaid rate.
- The Director has determined that the enrollee's special circumstances (including diagnosis, services needed, or length of stay) warrant paying the higher Medicaid rate.

Competitive wages for direct care workforce

(Section 261.150)

The bill includes funding from the Department, in collaboration with the Departments of Medicaid and Aging, to be used for provider rate increases, in response to the adverse impact experienced by direct care providers as a result of the COVID-19 pandemic and inflationary pressures. The bill requires the provider rate increases be used to increase wages and workforce supports to ensure workforce stability and greater access to care for Medicaid recipients.

²⁶ A converted ICF/IID is an ICF/IID, or former ICF/IID, that converted some or all of its beds to providing services under the Individual Options waiver.

Direct Support Professional Quarterly Retention Payments Program

(Section 261.160)

The bill establishes the Direct Support Professional Quarterly Retention Payments Program to be administered by the Department during FY 2024 and FY 2025. The program will begin July 1, 2023, and operate until June 30, 2025. The Director of Developmental Disabilities must do all of the following in administering the program:

- Establish criteria for home and community-based providers to participate in the program;
- Implement an opt-in system where providers can elect to participate in the program;
- Develop provider requirements as prerequisites for program payments;
- Establish quarterly provider payments based on the percentage of the provider's reimbursed claims during the preceding quarter; and
- Collect program data.

The Director must consult with county boards of developmental disabilities, the Ohio Association of County Boards of Developmental Disabilities, and provider organizations to review the effectiveness of the program and make recommendations on its continuation.

Intermediate care facilities for individuals with intellectual disorders (ICFs/IID)

ICF/IID payment rate

(R.C. 5124.15)

Under continuing law, each ICF/IID receives a per day payment amount for each Medicaid resident. The bill increases the ICF/IID Medicaid payment rate by adding to the formula a professional workforce development payment amount, equal to 6.5% of the ICF/IID's desk-reviewed, actual, allowable, per Medicaid day direct care costs from the applicable cost report year.

New ICF/IID Medicaid peer group for certain youth

(R.C. 5124.01)

The bill creates "peer group 6" as a new classification for ICF/IID Medicaid day payment rate determinations. The new group consists of ICFs/IID that have:

- A Medicaid-certified capacity not exceeding six;
- Submitted and received approval for a best practices protocol for providing services to youth up to 21 years old in need of intensive behavior support services ;
- A contract with the Department that includes a provision for Department approval of all admissions to the ICF/IID; and
- Agreed to a reimbursement methodology established under existing rules.

Recoupment for ICF/IID downsizing delay

(Repealed R.C. 5124.39; R.C. 5124.45)

The bill repeals law that requires the Department to recoup money paid to certain ICFs/IID in a downsizing incentive program that no longer exists. ICFs/IID classified as former peer group 1-B and approved to downsize by July 1, 2018, were eligible to collect efficiency incentive payments from the Department. If an ICF/IID did not successfully downsize by that date, the Department was required to recoup the payment plus interest, unless the ICF/IID qualified for an exemption. The incentive and recoupment programs no longer exist.

Obsolete report repeal

(Repealed R.C. 5123.195)

The bill repeals law requiring the Department to submit a report regarding implementation of changes to the law governing residential facility licensure at the end of 2003, 2004, and 2005.

DEPARTMENT OF EDUCATION

School finance

Funding for FY 2024 and 2025

- Extends the operation of the school financing system established in H.B. 110 of the 134th General Assembly, with some changes, to FY 2024 and FY 2025.
- Extends to FY 2024 and FY 2025 the payment of temporary transitional aid and a formula transition supplement.

Student wellness and success fund

- Requires the Department of Education to notify, in each fiscal year, each school district, community school, and STEM school of the portion of the district or school's state share of the base cost that is attributable to the staffing cost for the student wellness and success component.
- Requires districts and schools to spend student wellness and success funds (SWSF) on the same initiatives required for disadvantaged pupil impact aid (DPIA) funds.
- Requires districts and schools to spend at least 50% of SWSF for either physical or mental health based initiatives, or a combination of both.
- Requires districts and schools to develop a plan to use SWSF in coordination with certain community based mental health treatment providers and other community partners.
- Requires that any SWSF allocated in any of FYs 2020 through 2023 be expended by June 30, 2025, and any unexpended funds be repaid to the Department.
- Beginning in FY 2024, requires all SWSF to be expended by the end of the following fiscal year, and any unexpended funds be repaid to the Department.
- At the end of each fiscal year, requires each district and school to submit a report to the Department describing the initiative or initiatives on which the district or school's SWSF were spent during that fiscal year.

Disadvantaged pupil impact aid

- Makes changes in initiatives for which schools may spend DPIA.

Payment for districts with decreases in utility TPP value

- Requires the Department to make a payment, for FY 2024 and FY 2025, to each city, local, exempted village, or joint vocational school district that has at least one power plant within its territory and that experiences a 10% or greater decrease in the taxable value of utility tangible personal property (TPP) and an overall negative change in TPP subject to taxation.

Newly chartered nonpublic school auxiliary services funds

- Permits a newly chartered nonpublic school, within ten days of receiving its charter, to elect to receive auxiliary services funds directly.

Dyslexia screening and intervention

Transfer students

- Requires school districts and schools to administer grade-level aligned dyslexia screenings to students enrolled in grades K-6 who transfer into the district or school midyear.
- Exempts a district or school from administering a tier one dyslexia screening measure to a transfer student who received a screening in that school year from the student's original school.
- Generally requires a district or school to administer the dyslexia screening within 30 days of transfer student enrollment or request, though a kindergarten transfer student screening may be performed at the regularly scheduled screening for all kindergartners if the student transfers before that assessment has been performed.

Screening measures

- Requires the Department to identify a tier one dyslexia screening measure by January 1, 2024, to be made available to public schools free of charge for use beginning in the 2024-2025 school year.

Professional development

- Requires teachers hired after April 12, 2021, to complete dyslexia professional development training by the later of 2 years after the date of hire or prescribed dates, unless the teacher has completed the training while employed by a different district.

Ed Choice Expansion income threshold

- Increases from 250% to 400% the federal poverty level (FPL) income eligibility threshold that a recipient's family must meet to qualify for an Ed Choice Expansion Scholarship.

Educator licensing and permits

Pre-service teaching for compensation

- Establishes a three-year pre-service teaching permit for student teachers that authorizes them to substitute teach and receive compensation for it.

Alternative military educator license

- Requires the State Board of Education, in consultation with the Chancellor of Higher Education, to establish an alternative military educator license that permits eligible military individuals to receive an educator license on an expedited timeline.

Computer science licensure

- Permits industry professionals to teach 40 hours a week in computer science without taking a content examination.
- Requires all computer science licenses to carry a grade band designation.

Community school employee misconduct

- Prohibits a community school from employing a person if the person's educator license was permanently revoked or denied or if the person entered into a consent agreement in which the person agreed not to apply for an educator license in the future.

Private school educator certification

- Makes explicit that the State Board must issue teaching certificates to private school administrators, supervisors, and teachers who hold a master's degree from an accredited college or university

English learners

- Eliminates an exemption excusing English learners who have been enrolled in U.S. schools for less than a year from any reading, writing, or English language arts state assessments.
- Eliminates an exemption that excluded, except when required by federal law, English learners who have been enrolled in U.S. schools for less than a year from state report card performance measures.
- Requires English learners to be included in performance measures on the state report card in accordance with the state's federally approved plan to comply with federal law.
- Requires the State Board to adopt rules related to educating English learners that conform to the state's federally approved plan.

School emergency management plans

- Specifies that all records related to a school's emergency management plan and emergency management tests are security records and are not subject to Ohio's public records laws.
- Extends the annual deadline for a school administrator to submit the school district's or school's emergency management plan to the Director of Public Safety from July 1 to September 1.

Career-technical courses at Ohio Technical Centers

- Permits school districts, upon approval from the Department, to contract with Ohio Technical Centers (OTCs) to serve students in grades 7-12 enrolled in a career-technical education program at the district but cannot enroll in a course for specified reasons.
- Requires a district to award students high school credit for completion of a course at an OTC.

- Permits a district and an OTC that enter into an agreement to establish alternate amounts that the district must pay to the OTC.
- Permits the district to use career-technical education funds to pay for any costs incurred by students enrolling in courses at an OTC.
- Requires the Department to consider costs of a student enrolling in an OTC as an approved career-technical education expense.
- Permits an individual who holds an adult education permit issued by the State Board and is employed by an OTC to provide instruction to a student in grades 7-12 enrolled in a course at an OTC.

Literacy improvement grants

Professional development stipends

- Requires the Department to reimburse school districts, community schools, and STEM schools for stipends for teachers to complete professional development in the science of reading and evidence-based strategies for effective literacy instruction provided by the Department.
- Requires all teachers and administrators to complete the professional development not later than June 30, 2025, unless they have previously completed a similar course.
- Requires each district and school to pay teachers who complete the professional development stipends of \$1,200 or \$400 dependent upon subject and grade band.

Subsidies for core curriculum and instructional materials

- Requires the Department to subsidize the cost for school districts, community schools, and STEM schools to purchase high-quality core curriculum and instructional materials in English language arts and evidence-based reading intervention programs from the lists established by the Department under the bill.
- Requires the Department to conduct a survey to collect information on the core curriculum and instructional materials in English language arts in grades pre-K through 5 and the reading intervention programs in grades pre-K through 12 that are being used by public schools.

Literacy supports coaches

- Requires the Department to use funds for coaches to provide literacy supports to public schools with the lowest rates of proficiency in literacy based on their performance on the English language arts assessments.

Early literacy activities

- Requires the Department to use funds to support early literacy activities to align state, local, and federal efforts in order to bolster all students' reading success.

Other

Literacy instructional materials

- Requires the Department to compile a list of high-quality core curriculum and instructional materials in English language arts and a list of evidence-based reading intervention programs that are aligned with the science of reading and strategies for effective literacy instruction.
- Not later than the 2024-2025 school year, requires each school district, community, and STEM school to use the core curriculum, instructional materials, and intervention programs from the lists compiled by the Department.
- Prohibits a district or school from using the “three-cueing approach” to teach students to read unless the district or school receives a waiver from the Department, but permits waivers for individual students.

EMIS reporting of literacy instructional materials

- Requires districts and schools to report to the Education Management Information System (EMIS) the English language arts curriculum and instructional materials it is using in each of grades pre-K-5 and the reading intervention programs being used in each of grades pre-K-12.

FAFSA graduation requirement

- Requires all public and chartered nonpublic school students to complete the Free Application for Federal Student Aid (FAFSA) in order to qualify for a high school diploma, unless an exception applies.

E-school standards

- Changes the source for the standards with which e-schools must comply.

Pilot funding for dropout recovery e-schools

- Extends to FY 2024 and FY 2025 the pilot program providing additional funding for certain e-schools operating dropout prevention and recovery programs on a per-pupil basis for students in grades 8-12.

Quality Community School Support Program

- Continues the Quality Community School Support Program.

Competitive bidding exemption

- Exempts purchases made by the Department from an educational service center from competitive bidding or Controlling Board approval.

Academic distress commissions

- Prohibits the Superintendent of Public Instruction from establishing any new academic distress commissions (ADCs) for the 2023-2024 and 2024-2025 school years.

School finance

Funding for FY 2024 and 2025

(R.C. 3314.08, 3317.011, 3317.012, 3317.014, 3317.016, 3317.017, 3317.018, 3317.019, 3317.0110, 3317.02, 3317.021, 3317.022, 3317.024, 3317.026, 3317.0212, 3317.0213, 3317.0215, 3317.0217, 3317.0218, 3317.051, 3317.11, 3317.16, 3317.162, 3317.20, 3317.201, 3317.25, and 3326.44; Sections 265.280 and 265.290)

The bill extends the operation of the current school financing system to FY 2024 and FY 2025, but with the following changes:

1. Requires the use of FY 2022 statewide average base cost per pupil in FY 2024 and FY 2025;

2. Requires the use of FY 2022 statewide average career-technical base cost per pupil in FY 2024 and FY 2025;

3. Increases the general phase-in and disadvantaged pupil impact aid phase-in percentages from 33.33% in FY 2023 to 50% in FY 2024 and 66.67% in FY 2025;

4. Increases the minimum transportation state share percentage from 33.33% in FY 2023 to 37.5% in FY 2024 and 41.67% in FY 2025;

5. Increases the career awareness and exploration per pupil amount from \$5 in FY 2023 to \$7.50 in FY 2024 and \$10 in FY 2025;

6. Increases the gifted professional development per pupil amount from \$14 in FY 2023 to \$21 in FY 2024 and \$28 in FY 2025; and

7. Clarifies that a school district's building operations cost in the aggregate base cost calculation does not use a six-year average of the average building square feet per pupil and average cost per square foot for all districts in the state but instead uses only FY 2018 data.

In addition, the bill extends to FY 2024 and FY 2025 the payment of temporary transitional aid based on a FY 2020 funding base and a formula transition supplement based on a FY 2021 funding base.

For background information on the current school financing system, see the LSC [Final Analysis \(PDF\) for H.B. 110 of the 134th General Assembly](#), which enacted the system, and the LSC [Final Analysis \(PDF\) for H.B. 583 of the 134th General Assembly](#), which made a number of corrective and technical changes to it. Both final analyses are available on the General Assembly's website: legislature.ohio.gov.

Student wellness and success funds

(R.C. 3317.26)

Spending requirements

The bill requires the Department of Education to notify, in each fiscal year, each school district, community school, and STEM school, of the portion of the district or school's state share

of the base cost that is attributable to the staffing cost for the student wellness and success component of the base cost.

Next, the bill requires districts and schools to spend student wellness and success funds (SWSF) it receives on the same initiatives for which schools must spend disadvantaged pupil impact aid (DPIA) funds. (see “**Disadvantaged pupil impact aid**,” below). Of those initiatives, the bill further requires districts and schools to spend at least 50% of SWSF for either physical or mental health based initiatives, or a combination of both. Current law does not prescribe requirements on which districts and schools must spend SWSF.

Additionally, districts and schools must develop a plan to use SWSF in coordination with both: (1) a community mental health prevention or treatment provider or their local board of alcohol, drug addiction and mental health services, and (2) a community partner identified under continuing law. Within 30 days of the completion or amendment of this plan, the bill requires districts and schools to share the plan at a meeting of a public district board of education or governing authority and post it to the district or school’s website.

At the end of each fiscal year, each district and school must submit a report to the Department, in a manner determined by the Department, describing the initiative or initiatives on which the district or school’s SWSF were spent during that fiscal year.

Unexpended funds

The bill requires that any SWSF allocated in any of FYs 2020 through 2023 be expended before June 30, 2025, and requires any unexpended funds to be repaid to the Department.

Beginning in FY 2024, the bill requires all SWSF to be spent by the end of the following fiscal year and, again, requires any unexpended funds to be repaid to the Department.

The bill permits the Department to develop a corrective action plan if it determines that a district or school is not spending the SWSF funds correctly and further permits the Department to withhold SWSF if a district or school is found to be out of compliance with the action plan.

Disadvantaged pupil impact aid

(R.C. 3317.25)

Under current law, disadvantaged pupil impact aid (DPIA) is calculated based on the number and concentration of economically disadvantaged students enrolled at each school and district. H.B. 110 of the 134th General Assembly required that a district must develop a plan for utilizing its DPIA in coordination with one of the following: a board of alcohol, drug, and mental health services, an educational service center (ESC), a county board of developmental disabilities, a community-based mental health treatment provider, a board of health of a city or general health district, a county department of job and family services, a nonprofit organization with experience serving children, or a public hospital agency.

Current law prescribes initiatives upon which DPIA must be spent. The bill makes changes to some of those initiatives. The table below illustrates the current initiatives and the changes made by the bill (these changes apply to both DPIA funds and SWSF):

Initiatives	
Current law	The bill
Extended school day and school year	No change
Reading improvement and intervention	Requires reading improvement and intervention to be aligned with the science of reading and evidence-based strategies for effective literacy instruction
Instructional technology or blended learning	No change
Professional development in reading instruction for teachers of students in kindergarten through third grade	Requires professional development be aligned with the science of reading and evidence-based strategies for effective literacy instruction
Dropout prevention	No change
School safety and security measures	No change
Community learning centers that address barriers to learning	No change
Academic interventions for students in any of grades six through twelve	No change
Employment of an individual who has successfully completed the bright new leaders for Ohio schools program as a principal or an assistant principal	No change
Mental health services, including telehealth services	Adds community-based behavioral health services, and recovery supports
Culturally appropriate, evidence-based or evidence-informed prevention education, including youth-led programming and social and emotional learning curricula to promote mental health and prevent substance use and suicide	Changes prevention “education” to prevention “services” and removes the requirement that prevention services include social and emotional learning, but adds trauma-informed services
Services for homeless youth	No change
Services for child welfare involved youth	No change

Initiatives	
Current law	The bill
Community liaisons or programs that connect student to community resources, including city connects, communities in schools, and other similar programs	Adds behavioral wellness coordinators as a possible liaison
Physical health care services, including telehealth services	Requires physical health care service initiatives to include community-based health services
Family engagement and support services	No change
Student services provided prior to or after the regularly scheduled school day or any time school is not in session, including mentoring programs	No change

Background

H.B. 110 of the 134th General Assembly repealed the requirement for the Department to pay SWSF and enhancement funds to school districts, community schools, and STEM schools and the spending requirements for those funds, but applied similar spending requirements to disadvantaged pupil impact aid. However, that act included district's staffing cost for SWSF in the calculation of a district or school's base cost.

Payment for districts with decreases in utility TPP value

(Section 265.310)

The bill requires the Department to make a payment, for FY 2024 and FY 2025, to each city, local, exempted village, or joint vocational school district that has at least one power plant within its territory and that experiences a 10% or greater decrease in the taxable value of utility tangible personal property (TPP) and an overall negative change in TPP subject to taxation. To qualify for the FY 2024 payment, a district must have experienced this decrease between tax years 2017 and 2023 or tax years 2022 and 2023. To qualify for the FY 2025 payment, a district must have experienced this decrease between tax years 2017 and 2024 or tax years 2023 and 2024.

Eligibility determination

The Tax Commissioner must determine which districts are eligible for this payment no later than May 15, 2024 (for the FY 2024 payment) or May 15, 2025 (for the FY 2025 payment). For each eligible district, the Commissioner must certify the following information to the Department:

1. If the district is eligible for the FY 2024 payment, its total taxable value for tax year 2023 and the change in taxes charged and payable on the district's total taxable value for tax years 2017 and 2023; and

2. If the district is eligible for the FY 2025 payment, its total taxable value for tax year 2024 and the change in taxes charged and payable on the district's total taxable value for tax years 2017 and 2024; and

3. If the district is eligible for either payment, the taxable value of the utility TPP decrease and the change in taxes charged and payable on the change in taxable value.

Payment amount

The bill requires the Department, for purposes of computing the payment, to replace the three-year average valuations used in computing a district's state education aid for FY 2019 with the district's total taxable value for tax year 2023 (for the FY 2024 payment) or tax year 2024 (for the FY 2025 payment). It then must recompute the state education aid for FY 2019 without applying any funding limitations enacted by the General Assembly.

The amount of a district's payment is the *greater* of 1 or 2 as described below:

1. The lesser of either:

a. The positive difference between the district's state education aid for FY 2019 prior to the recomputation and the district's recomputed state education aid for FY 2019; or

b. The absolute value of the change in taxes charged and payable on the district's total taxable value for tax years 2017 and 2023 (for the FY 2024 payment) or for tax years 2017 and 2024 (for the FY 2025 payment).

2. 0.50 times the absolute value of the change in taxes charged and payable on the district's total taxable value for tax years 2017 and 2023 (for the FY 2024 payment) or for tax years 2017 and 2024 (for the FY 2025 payment).

Payment deadline

The Department must make FY 2024 payments between June 1 and June 30, 2024, and must make FY 2025 payments between June 1 and June 30, 2025.

Codified law payment

The bill prohibits the Department from calculating or making a similar payment prescribed under codified law for FY 2024 and FY 2025.²⁷

Newly chartered nonpublic school auxiliary services funds

(R.C. 3317.024)

The bill permits a newly chartered nonpublic school, within ten days of receiving a notification of the approval and issuance of its charter, to elect to receive auxiliary services funds

²⁷ R.C. 3317.028, not in the bill.

directly. Under the bill, a chartered nonpublic school that does not make an election will receive auxiliary services funds paid to the school district in which the chartered nonpublic school is located. Law unchanged by the bill permits chartered nonpublic schools to choose whether to receive auxiliary services funds directly from the Department. Otherwise, by default a school receives those funds through the school district in which it is located.

Under law unchanged by the bill, a chartered nonpublic school may later elect to directly receive funds by notifying the Department and school district in which the school is located by the first day of April of each odd-numbered year and submitting an affidavit certifying that the school will use the funds for auxiliary services in the manner required by law. Similarly, a chartered nonpublic school may rescind its election to receive funds directly by notifying the Department and school district in which the school is located by the first day of April in an odd-numbered year. Election changes take effect on the first day of July following the submitted change.

Auxiliary services funds are used to purchase goods and services for students who attend chartered nonpublic schools, such as textbooks, digital texts, workbooks, instructional equipment, library materials, or tutoring and other special services.²⁸

Dyslexia screenings and interventions

Transfer students

(R.C. 3323.251)

The bill requires school districts and schools to administer tier one dyslexia screenings and intervention to students enrolled in any of grades K-6 who transfer into the district or school midyear. The dyslexia screenings must be aligned to the grade level in which the student is enrolled at the time the screening is administered. However, the bill exempts a district or school from administering a tier one dyslexia screening measure to a transfer student whose student record indicates that the student received a screening in that school year from the student's original school. Continuing law requires that districts and schools administer a tier one dyslexia screening to students in grades K-6 under prescribed conditions.

The bill prescribes the following administrations of the tier one dyslexia screening measure for transfer students:

1. For students enrolled in kindergarten, a district or school must administer the screening measure during the kindergarten class's regularly scheduled screening or within 30 days after the student's enrollment or after a parent, guardian, or custodian requests or grants permission for the screening;

2. For students enrolled in any of grades one through six, a district or school must administer the screening measure within 30 days of a student's enrollment if required, or within 30 days after the student's parent, guardian, or custodian requests or grants permission for the screening.

²⁸ See R.C. 3317.06 and 3317.062, neither in bill.

Screening measures

(R.C. 3323.25)

The bill requires the Department to identify a tier one dyslexia screening measure by January 1, 2024, that must be made available to public schools free of charge. Districts and schools must use the identified screening measure beginning in the 2024-2025 school year as the tier one screening measure to satisfy dyslexia screening requirements under continuing law.

Professional development

(R.C. 3319.077)

Continuing law requires teachers who teach grades K-3 or special education to grades 4-12 complete professional development regarding dyslexia. The bill specifically applies the phase-in model for dyslexia training as part of a teacher's approved professional development training to teachers employed by the district on April 12, 2021, and specifies the dates by which a teacher must complete the training as follows:

1. Not later than July 1, 2023, for each district teacher who provides instruction for students in grades kindergarten and first grade;
2. Not later than July 1, 2024, for each district teacher who provides instruction for students in grades two and three;
3. Not later than July 1, 2025, for each district teacher who provides special education instruction for students in grades 4 through 12.

Teachers employed after April 12, 2021, must complete the training by the later of two years after date of hire or the dates specified above for teachers employed prior to that date. However, this does not apply to teachers who already have completed the training while employed by a different district.

Ed Choice Expansion income threshold

(R.C. 3310.032; Section 265.275)

The bill increases from at or below 250% to 400% of the federal poverty level (FPL) income eligibility threshold that a recipient's family must meet to qualify for an Educational Choice Expansion Scholarship.

The Ed Choice Scholarship Program operates statewide in every school district except Cleveland to provide scholarships mainly for students who (1) are assigned or would be assigned to district school buildings that have persistently low academic achievement (known as "traditional" or "performance-based" Ed Choice) or (2) are from low-income families (known as "income-based" Ed Choice Expansion). Continuing law also qualifies certain other students for the scholarship as well, including foster children and siblings of Ed Choice recipients. Students may use their scholarships to enroll in participating chartered nonpublic schools.

Educator licensing and permits

Pre-service teaching for compensation

(R.C. 3319.0812 and 3319.088; conforming changes in R.C. 3314.03 and 3326.11)

Student teachers

The bill creates a three-year pre-service teaching permit for student teachers. Under the permit, student teachers may substitute teach and receive compensation for it. The bill requires the State Board of Education to adopt rules establishing a new three-year pre-service teacher permit for students enrolled in educator preparation programs. Students must obtain the permit to student teach, participate in other training experiences, and serve as substitute teachers. A permit holder may substitute teach for up to one full semester, and be compensated for that service.

The bill permits the school district or school employer to approve one or more additional subsequent semester-long period of teaching for the permit holder. It also permits the Department, on a case-by-base basis, to extend the permit's duration to enable the permit holder to complete the educator preparation program in which the permit holder is enrolled.

Applicants for a pre-service teacher permit must submit to a criminal records check and be enrolled in the retained applicant fingerprint database (RAPBACK) in the same manner as any other licensed teacher. The bill requires the Department to notify an educator preparation program if an applicant has been arrested or convicted and authorizes the school district or school to take any action prescribed by law. Upon receiving that notice, the educator preparation program must provide to the Department a list of all school districts and schools to which the pre-service teacher has been assigned as part of the program.

The bill eliminates provisions of law that conflict with the bill's changes. Namely, it eliminates the law that prohibits requiring students preparing to become licensed teachers or educational assistants from holding an educational aide permit or paraprofessional license when they are assigned to work with a teacher in a school district. The bill also eliminates the prohibition from those students receiving compensation.

Alternative military educator teaching license

(R.C. 3319.285)

The bill requires the State Board, in consultation with the Chancellor of Higher Education, to establish an alternative military educator license that permits eligible military individuals to receive an educator license on an expedited timeline. For the license, the State Board must allow eligible military individuals to apply leadership training or other military training toward requirements for college coursework, professional development, content knowledge examinations, and other licensure requirements. Under the bill, an "eligible military individual" includes:

1. An active-duty member of any branch of the U.S. armed forces;
2. A veteran of any branch of the U.S. armed forces who separated from service with an honorable discharge;

3. A member of the National Guard or a member of a reserve component of the U.S. armed forces; or

4. A spouse of an eligible member or veteran.

The bill permits the Department of Education to work with the Credential Review Board to determine the types of military training that correspond with the educational training needed to be a successful teacher.

Under current law unchanged by the bill, an unlicensed veteran may teach a non-core course at a school district if the veteran has meaningful teaching or other instructional experience.²⁹

Computer science educator licensure

(R.C. 3319.22 and 3319.236)

40-hour license for industry professionals

Under continuing law, an individual generally must hold a valid license in computer science, or have a licensure endorsement in computer technology and a passing score in a computer science content exam, to teach computer science courses.

As an exception to that general requirement, the bill requires the State Board to create a teaching license for industry professionals to teach computer science courses for up to 40 hours each week. A license holder may not teach any other subject. The Superintendent of Public Instruction must consult with the Office of Computer Science Education (see “**Office of Computer Science Education**,” below) in revising the requirements for licensure in computer science.

Continuing law prescribes a separate exception to the general requirement. Under that exception, a school district may employ an individual who holds any valid educator license if that individual has received a supplemental teaching license in computer science. An individual qualifies for a supplemental license by passing a computer science content exam and meeting other requirements established by the State Board.

Grade band specifications

The bill requires that each license for teaching computer science specify whether the educator is licensed to teach in grades pre-K-5, 4-9, or 7-12.

Community school employee misconduct

(R.C. 3314.03 and 3314.104)

The bill prohibits a community school from employing a person if the State Board permanently revoked or denied the person’s educator license or if the person entered into a consent agreement in which the person agreed not to apply for an educator license in the future. It also requires that each community school sponsorship contract include the same prohibition.

²⁹ R.C. 3319.283, not in the bill.

Private school educator certification

(R.C. 3301.071)

The bill makes explicit that the State Board of Education must issue teaching certificates to private school administrators, supervisors, and teachers who hold master's degrees from an accredited college or university without further educational requirements. Current law already requires the same for individuals who hold bachelor's degrees.

English learners

(R.C. 3301.0711, 3301.0731, and 3302.03; conforming in R.C. 3313.61, 3313.611, 3313.612, and 3317.016)

The bill eliminates an exemption that excused English learners who have been enrolled in a school in the United States for less than a full school year from being required to take any reading, writing, or English language arts assessment. The bill maintains an exemption for English learners who have been enrolled in a U.S. school for less than two years and for whom no appropriate accommodations are available.

The bill also eliminates an exemption that excluded, except as required by federal law, English learners who have been enrolled in a U.S. school for less than one school year from state report card performance measures. It requires English learners to be included on the state report card in accordance with the state's federally approved plan to comply with federal law.

Finally, the bill requires the State Board to adopt rules regarding the identification, instruction, assessment, and reclassification of English learners. The rules must conform to the Department of Education's plan, as approved by the U.S. Secretary of Education, to comply with the federal "Elementary and Secondary Education Act of 1965."

School emergency management plans

(R.C. 5502.262)

The bill clarifies that all records *related to* a school's emergency management plan and emergency management tests are security records and are not subject to Ohio's public records laws. Current law specifies that copies of the emergency management plan and all of the following information incorporated into the plan are security records and are not subject to Ohio's public records laws:

1. Protocols for addressing serious threats to the safety of property, students, employees, or administrators;
2. Protocols for responding to any emergency events that occur and compromise the safety of property, students, employees, or administrators;
3. A threat assessment plan;
4. Protocols for school threat assessment teams; and
5. Information posted to the Contact and Information Management System.

The bill extends the deadline for a school administrator to submit the school district's or school's annual emergency management plan to the Director of Public Safety from July 1 to September 1.

Career-technical courses at Ohio Technical Centers

(R.C. 3313.901)

Upon approval by the Department, the bill permits school districts to contract with an Ohio Technical Center (OTC) to serve students in grades 7-12 who are enrolled in a career-technical education program at the district but cannot enroll in a course at the district due to one of the following reasons:

1. The course is at capacity and cannot serve all students who want to enroll in the course.
2. The student has a scheduling conflict that prevents the student from taking the course at the time offered by the district.
3. The district does not offer the course due to lack of enrollment, lack of a qualified teacher, or lack of facilities.
4. Any other reason determined by the Department.

Districts must apply to the Department for approval to contract with an OTC by submitting a plan describing how the district and the OTC will establish a collaborative partnership to provide career-technical education to students.

The bill also requires a district approved by the Department to do all of the following:

1. Award a student high school credit for completion of a course at an OTC;
2. Report students taking classes at OTCs to the education management information system (EMIS) as enrolled for the time the student is taking a course at an OTC indicating as such. However, the bill prohibits the district from counting a student taking a course at an OTC as more than one full-time equivalent student, unless the student is enrolled full-time in the district during the regularly scheduled school day and takes the course at the OTC during time outside of normal school hours;
3. Pay to the OTC, per student, the lesser of the standard tuition charged for the course at the OTC or one of the following:
 - a. If the OTC is located on the same campus as the student's high school, the statewide average base cost per pupil and the amount applicable to the student for the portion of the full-time equivalency the student is enrolled in the course, without applying the district's state share percentage; or
 - b. If the OTC is not located on the same campus as the student's high school, \$7,500.

The bill permits a district and an OTC to enter into an agreement to establish alternate amounts that the district must pay to the OTC.

Under the bill, districts may use career-technical education funds to pay for any costs incurred by students enrolling in courses at an OTC. Further, the Department must consider the

cost of student OTC enrollment as an approved career-technical education expense. Finally, the bill permits an individual who holds an adult education permit issued by the State Board of Education and is employed by an OTC to provide instruction to a student in grades 7-12 enrolled in a course at an OTC.

OTCs are career-technical centers and schools that provide adult education and are recognized as such by the Chancellor of Higher Education. There are currently 49 OTCs in the state.³⁰

Literacy improvement grants

(Section 265.330)

Professional development stipends

The bill requires the Department to use up to \$43 million from funds appropriated for literacy improvement in each fiscal year to reimburse school districts, community schools, and STEM schools for stipends for teachers to complete professional development in the science of reading and evidence-based strategies for effective literacy instruction. It requires the Department to provide the professional development courses.

Under the bill, district and schools must require all teachers and administrators to complete a course provided by the Department, not later than June 30, 2025, except that any teacher or administrator who has previously completed similar training, need not complete the course. Teachers must complete the course at a time that minimizes disruptions to normal instructional hours. Teachers and administrators must complete the professional development course as follows:

1. First, all of the following:
 - a. All teachers of grades K through 5;
 - b. All English language arts teachers of grades 6 through 12;
 - c. All intervention specialists, English learner teachers, reading specialists, and instructional coaches who serve any of grades pre-K through 12.
2. Second, all teachers who teach a subject area other than English language arts in grades 6 through 12;
3. Third, all administrators.

The bill requires each district and school to pay a stipend to each teacher who completes a professional development course. The stipend must be \$1,200 for each individual listed under (1) and \$400 for each individual listed under (2). Each district and school may apply to the Department for reimbursement of the cost of the stipends. The bill prohibits the Department from providing reimbursement to an administrator to complete a professional development course.

³⁰ See the [Ohio Technical Centers](http://ohiotechnicalcenters.com) website at ohiotechnicalcenters.com for more information.

The bill further requires the Department to work with the Department of Higher Education, institutions of higher education that offer educator preparation programs, and local professional development committees, to help teachers and administrators who complete a professional development course to earn college credit or to apply the coursework towards licensure renewal requirements. Additionally, the Department must collaborate with the Department of Higher Education, and institutions of higher education that offer educator preparation programs to align the coursework of the programs with the science of reading and evidence-based strategies for effective literacy instruction.

Subsidies for core curriculum and instructional materials

The bill requires the Department to use up to \$64 million from funds appropriated for literacy improvement to subsidize the cost for school districts, community schools, and STEM schools to purchase high-quality core curriculum and instructional materials in English language arts and evidence-based reading intervention programs from the lists established by the Department.

Further, the Department must conduct a survey to collect information on the core curriculum and instructional materials in English language arts in grades pre-K through 5 and the reading intervention programs in grades pre-K through 12 that are being used by public schools. Each school district, community school, and STEM school must participate in the survey and provide the information requested by the Department.

Literacy supports coaches

The bill requires the Department to use up to \$6 million in FY 2024 and up to \$12 million in FY 2025 from funds appropriated for literacy improvement for coaches to provide literacy supports to school districts, community schools, and STEM schools with the lowest rates of proficiency in literacy based on their performance on the English language arts assessments. These coaches must have training in the science of reading and evidence-based strategies for effective literacy instruction and intervention and must implement “Ohio’s Coaching Model,” as described in Ohio’s Plan to Raise Literacy Achievement. The coaches will be under the direction of, but not employed by, the Department.

Early literacy activities

The bill requires the Department to support early literacy activities to align state, local, and federal efforts in order to bolster all students’ reading success. The Department must distribute these funds to educational service centers (ESCs) to establish and support regional literacy professional development teams consistent with current law requirements. A portion of the funds may be used by the Department for program administration, monitoring, technical assistance, support, research, and evaluation.

Other

Literacy instructional materials

(R.C. 3313.6028)

The bill requires the Department to compile a list of high-quality core curriculum and instructional materials in English language arts and a list of evidence-based reading intervention programs that are aligned with the science of reading and strategies for effective literacy instruction.

Beginning not later than the 2024-2025 school year, each school district, community school, and STEM school must use core curriculum, instructional materials, and intervention programs only from the lists compiled by the Department.

The bill prohibits a district or school from using the “three-cueing approach” to teach students to read unless that district or school receives a waiver from the Department permitting them to do so.

The bill further permits a district or school to apply for a waiver on an individual student basis to use curriculum, materials or an intervention program that uses the “three-cueing approach.” However, students who have an individualized education program (IEP) that explicitly indicates use of the three-cueing approach and students who have a reading improvement and monitoring plan under the Third-Grade Reading Guarantee do not need a waiver to receive instruction in the “three-cueing approach.”

Prior to approval of a waiver, the Department must consider that district or school’s performance on the state report card, including its score on the early literacy component.

EMIS reporting of literacy instructional materials

(R.C. 3301.0714)

The bill requires each district and school to report to the education management information system (EMIS) the English language arts curriculum and instructional materials it is using for each of grades pre-K-5 and the reading intervention programs being used in each of grades pre-K-12.

FAFSA graduation requirement

(R.C. 3313.618 and 3313.619)

The bill establishes a new requirement that each student must provide evidence of having completed and submitted the Free Application for Federal Student Aid (FAFSA). However, the bill exempts a student from meeting this requirement if either the student’s:

1. Parent or guardian, or the student if the student is at least 18 years old, has submitted a written letter, in a manner prescribed by the Department of Education, to the student’s district or school stating the student will not complete and submit the FAFSA; or

2. District or school has made a record, in a manner prescribed by the Department, describing circumstances that make it impossible or impracticable for the student to complete the FAFSA.

E-school standards

(R.C. 3314.23)

The bill changes the source for the standards with which internet- or computer-based community schools (e-schools) must comply. It requires e-schools to comply with the National Standards for Quality Online Learning developed under a project led by a partnership between Quality Matters, the Virtual Learning Leadership Alliance, and the Digital Learning Collaborative, or any other successor organization. Current law requires that e-schools comply with standards developed by the International Association for K-12 Online Learning.

Pilot funding for dropout recovery e-schools

(Section 265.320)

The bill extends to FY 2024 and FY 2025 the pilot program established initially for FY 2021 that provides additional funding on a per-pupil basis for certain e-schools operating dropout prevention and recovery programs (DOPR) for students in grades 8-12. A participating school must have participated in FY 2023 to be eligible. Each school that chooses to participate in the pilot program must report any information necessary for the Department to make payments.

For each fiscal year, the Department must calculate an additional payment for each DOPR community school that chooses to participate in the program.³¹

The bill permits the Department to complete a review of the enrollment of each DOPR e-school that choose to participate in the pilot program. If the Department determines a school has been overpaid based on that review, it must require a repayment of the overpaid funds and may require the school to establish a plan to improve enrollment reporting.

Quality Community School Support Program

(Section 265.430)

Continuation of Quality Community School Support Program

The bill continues the Quality Community School Support Program. Under the program, the Department of Education is required to pay each community school that is designated as a “Community School of Quality” up to \$3,000 per fiscal year for each student identified as economically disadvantaged and up to \$2,250 per fiscal year for each student who is not identified as economically disadvantaged.

³¹ For more information on the computation, see the LSC Department of Education Redbook when available at lsc.ohio.gov/budget.

“Community School of Quality” designation

Under the bill, to be a “Community School of Quality,” the community school must meet at least one of the following sets of conditions:

1. The community school meets all of the following:
 - a. The school’s sponsor was rated “exemplary” or “effective” on its most recent evaluation;
 - b. The school received a higher performance index score than the school district in which it is located on the two most recent report cards issued;
 - c. The school either:
 - i. Received a performance rating of four stars or higher for the value-added progress dimension on its most recent report card; or
 - ii. Is a school where a majority of its students are either enrolled in a dropout prevention and recovery program operated by the school or are children with disabilities receiving special education and related services, and the school did not receive a rating for the value-added progress dimension on the most recent report card; and
 - d. At least 50% of the students enrolled in the school are economically disadvantaged, as determined by the Department.
2. The community school meets all of the following:
 - a. The school’s sponsor was rated “exemplary” or “effective” on its most recent evaluation;
 - b. The school is either:
 - i. In its first year of operation; or
 - ii. Opened as a kindergarten school, has added one grade per year, and has been in operation for less than four school years;
 - c. The school is replicating an operational and instructional model used by a community school that qualifies as a Community School of Quality under the first set of conditions; and
 - d. If the school has an operator, its operator received two or more points on its most recent performance report.
3. The community school meets all of the following:
 - a. The school’s sponsor was rated “exemplary” or “effective” on its most recent evaluation;
 - b. The school contracts with an operator that operates schools in other states and meets at least one of the following:

- i. The operator has operated a school that received a grant funded through the federal Charter School Program established under 20 U.S.C. 7221 within the five years prior to the date of application or receiving funding from the Charter School Growth Fund;
- ii. The operator meets all of the following:
 - (1) One of the operator's schools in another state performed better than the school district in which the school is located, as determined by the Department;
 - (2) At least 50% of the total number of students enrolled in all of the operator's schools are economically disadvantaged, as determined by the Department;
 - (3) The operator is in good standing in all states where it operates schools, as determined by the Department; and
 - (4) The Department has determined that the operator does not have any financial viability issues that would prevent it from effectively operating a community school in Ohio; and
- c. The school is in its first year of operation.

A school that is designated as a Community School of Quality maintains that designation for the two fiscal years following the fiscal year it is designated. Such a school may also seek to renew its designation each year, which extends the designation for the two fiscal years following the renewal. Schools that were designated as a Community School of Quality based on the report cards issued for the 2017-2018 and 2018-2019 school years may renew their designation in this manner.

Competitive bidding exemption

(R.C. 127.16)

The bill exempts purchases made by the Department from an educational service center from the requirement that purchases made by state agencies using direct appropriations and exceeding a certain amount must be competitively bid or approved by the Controlling Board.

Academic distress commissions

(Section 265.540)

The bill prohibits the state Superintendent from establishing any new academic distress commissions (ADCs) for the 2023-2024 and 2024-2025 school years. Otherwise, under continuing law, the state Superintendent must establish an ADC for certain school districts with persistently low academic performance to guide actions to improve their performance. That law requires each ADC to appoint a chief executive officer (CEO) who has substantial powers to manage the operation of a qualifying district and prescribes progressive consequences for the district,

including possible changes to collective bargaining agreements and eventual mayoral appointment of the district board.³²

H.B. 110 of the 134th General Assembly established a moratorium on the establishment of new ADCs for the 2021-2022 and 2022-2023 school years, which the bill extends. H.B. 110 also established a process by which school districts subject to an existing ADC may make an early transition out of ADC oversight prior to meeting the conditions for transitioning out of the oversight of an ADC. For a detailed description of this process, see the LSC's Final Analysis for H.B. 110.³³

³² R.C. 3302.10, not in the bill.

³³ See [H.B. 110 of the 134th General Assembly Final Analysis \(PDF\)](#) at pp. 211-213, also accessible at: legislature.ohio.gov.

ENVIRONMENTAL PROTECTION AGENCY

E-Check extension

- Extends the motor vehicle inspection and maintenance program (E-Check) in the counties where this program is implemented by:
 - Authorizing the OEPA Director to request the Director of Administrative Services (DAS Director) to extend the existing contract with the contractor that conducts the program, beginning July 1, 2023, for a period of up to 24 months through June 30, 2027; and
 - Requiring the OEPA Director, before the contract extension expires, to request the DAS Director to enter into a contract (with a vendor to operate a decentralized program) through June 30, 2027, with an option to renew the contract for up to 24 months through June 30, 2029.

Solid waste transfer and disposal fees

- Revises and reallocates the current solid waste transfer and disposal fees (while maintaining the total fees charged at \$4.75 per ton) as follows:
 - Reduces a 90¢ per ton fee to 71¢ per ton and allocates the proceeds of that fee as follows:
 - ❖ 11¢ per ton, rather than 20¢ per ton, to the Hazardous Waste Facility Management Fund, which must be used by OEPA to administer the hazardous waste program;
 - ❖ 60¢ per ton, rather than 70¢ per ton, to the Hazardous Waste Clean-Up Fund, which must be used by OEPA to administer hazardous waste clean-up programs.
 - Increases, from 75¢ per ton to 90¢ per ton, the fee that is deposited in the Waste Management Fund, which is used by OEPA to administer and enforce laws governing solid and infectious waste and construction and demolition debris;
 - Reduces, from \$2.85 per ton to \$2.81 per ton, the fee that is deposited in the Environmental Protection Fund, which is used by OEPA to administer and enforce environmental protection laws;
 - Maintains the current 25¢ per ton fee that is used to provide assistance to soil and water conservation districts;
 - Imposes a new additional fee on the transfer or disposal of solid waste of 8¢ per ton, through June 30, 2026, which must be deposited in the National Priority List Remedial Support Fund created by the bill.
- Extends the sunset on all four existing solid waste transfer and disposal fees from June 30, 2024 to June 30, 2026.
- Requires the OEPA Director to use money in the new fund for the state's removal action and remedial action and long term operation and maintenance costs or applicable cost

shares for actions taken under the federal “Comprehensive Environmental Response, Compensation, and Liability Act.”

- Authorizes the Director to use money in the new fund to contract with federal, state, or local government agencies, nonprofit organizations, colleges, and universities to carry out the responsibilities specified above on behalf of OEPA.

Construction and demolition debris (C&DD) fees

- Reallocates the 50¢ per cubic yard or \$1 per ton disposal fee charged for construction and demolition debris (C&DD) by:
 - Reducing the portion of the fee (currently 37.5¢ per cubic yard or 75¢ per ton) that is for recycling and litter prevention by 2.5¢ per cubic yard and 5¢ per ton, respectively; and
 - Allocating the reduced amount (2.5¢ per cubic yard and 5¢ per ton) for waste management under the solid, hazardous, and infectious waste and C&DD laws.

Environmental fee sunsets

- Extends all of the following fees, which remain unchanged by the bill, for two years:
 - The sunset on the annual emissions fees for synthetic minor facilities;
 - The sunset of the annual discharge fees for holders of National Pollution Discharge Elimination System (NPDES) permits issued under the Water Pollution Control Law;
 - The sunset of the \$200 application fee for an NPDES permit and the decrease of that fee to \$15 at the end of two years;
 - The levying of higher fees, and the decrease of those fees at the end of the two years, for applications for plan approvals for wastewater treatment works under the Water Pollution Control Law;
 - The annual discharge fees paid by the holder of an NPDES permit and the surcharge paid by holders of NPDES permits that are major dischargers;
 - The sunset of initial and renewal license fees for public water system licenses issued under the Safe Drinking Water Law;
 - The levying of higher fees, and the decrease of those fees at the end of the two years, for plan approvals for public water supply systems under the Safe Drinking Water Law;
 - The levying of higher fees, and the decrease of those fees at the end of the two years, for state certification of laboratories and laboratory personnel for purposes of the Safe Drinking Water Law;
 - The levying of higher fees, and the decrease of those fees at the end of the two years, for applications and examinations for certification as operators of water supply systems or wastewater systems under the Safe Drinking Water Law or the Water Pollution Control Law; and

- The levying of higher fees, and the decrease of those fees at the end of the two years, for applications for permits, variances, and plan approvals under the Water Pollution Control Law and the Safe Drinking Water Law.

Scrap tire provisions

- Reduces the financial assurance amount that a person must submit to the OEPA Director to obtain a registration to transport scrap tires from at least \$20,000 to \$10,000 or less.
- Eliminates the (up to) \$300 fee currently charged to a person registering for and renewing a certificate to transport scrap tires.
- Exempts certain nonprofit, governmental, educational, and civil organizations from the scrap tire transporter registration requirements if the organization is conducting a scrap tire clean up event or community tire amnesty collection event that has received written concurrence from the OEPA.
- Expands the allowable uses of the Scrap Tire Grant Fund.
- Removes the requirement that a person who has been issued an order by the Director to remove scrap tires do so within 120 days after the issuance of the order, and instead requires that person to comply with each milestone established in the order within the timeframe specified in the order.
- Allows the Director, when performing a scrap tire removal action, to remove, transport, and dispose of any additional solid wastes or construction and demolition debris (C&DD) that was illegally disposed of on the land named in a removal order.
- Allows the Director to recover the costs associated with the solid waste and C&DD removal.
- Allows, instead of requires, the Director to record scrap tire removal costs at the county recorder of the county in which the accumulation of scrap tires was located.
- Allows the Director to record solid waste and C&DD removal costs at the county recorder of the county in which the accumulation of solid wastes and C&DD was located.

Original signatories to environmental covenant

- Authorizes an applicable agency that is party to an environmental covenant to determine that the signature of a person who originally signed the covenant is not necessary in order to amend or terminate it.
- Eliminates the need to provide notice to an original signatory specified above when an environmental covenant is subject to termination or amendment via an eminent domain proceeding.
- Retains the ability of an original signatory to an environmental covenant who is not a current owner of the subject property in fee simple to file a civil action to enforce the covenant.

E-check extension

(R.C. 3704.14)

The bill extends the motor vehicle inspection and maintenance program (E-Check) in the seven counties (Cuyahoga, Geauga, Lake, Lorain, Medina, Portage, and Summit) where this program is implemented by:

1. Authorizing the OEPA Director to request the Director of Administrative Services (DAS Director) to extend the existing contract (with the contractor that conducts the program) beginning July 1, 2023, for a period of up to 24 months through June 30, 2027; and

2. Requiring the OEPA Director, before the contract extension expires, to request the DAS Director to enter into a contract (with a vendor to operate a decentralized program) through June 30, 2027, with an option to renew the contract for up to 24 months through June 30, 2029.

The bill retains the requirement that the new contract ensure that the program achieves at least the same emissions reductions achieved under the prior contract. It also retains the requirement that the DAS Director must use a competitive selection process when entering into a new contract with a vendor. Last, the bill retains all statutory requirements governing the program, including requirements that E-Check be a decentralized program (meaning tests do not take place at dedicated testing centers) and include a new car exemption for motor vehicles that are up to four years old.

Solid waste transfer and disposal fees

(R.C. 3734.57 and 3734.579)

The bill revises and reallocates the current fees collected on the transfer or disposal of solid waste and imposes one new fee, while maintaining the current total per ton charge collected at \$4.75 per ton. The table below illustrates the revisions to each fee and the imposition of one new fee:

Fee under current law	Fee under the bill
<p>The 90¢ fee, collected until June 30, 2024, is currently allocated as follows:</p> <ul style="list-style-type: none"> ▪ 20¢ per ton, to the Hazardous Waste Facility Management Fund, which must be used by OEPA to administer the hazardous waste program; ▪ 70¢ per ton, to the Hazardous Waste Clean-Up Fund, which must be used by OEPA to administer hazardous waste clean-up programs. 	<p>The bill extends the sunset of the fee to June 30, 2026, reduces the fee to 71¢ per ton, and allocates the proceeds as follows:</p> <ul style="list-style-type: none"> ▪ 11¢ per ton to the Hazardous Waste Facility Management Fund; ▪ 60¢ per ton to the Hazardous Waste Clean-Up Fund.

Fee under current law	Fee under the bill
The 75¢ per ton fee, collected until June 30, 2024, is deposited in the Waste Management Fund, which is used by OEPA to administer and enforce laws governing solid and infectious waste and construction and demolition debris.	The bill increases the fee to 90¢ per ton and extends the sunset of the fee to June 30, 2026.
The \$2.85 per ton fee, collected until June 30, 2024, is deposited in the Environmental Protection Fund, which is used by OEPA to administer and enforce environmental protection laws.	The bill reduces the fee to \$2.81 per ton and extends the sunset of the fee to June 30, 2026.
The 25¢ per ton fee, collected until June 30, 2024, is used to provide assistance to soil and water conservation districts.	The bill maintains the 25¢ fee and extends the sunset of the fee to June 30, 2026.
Not applicable: this fee is not collected under current law.	<p>The bill imposes a new 8¢ per ton fee, until June 30, 2026, which must be deposited in the National Priority List Remedial Support Fund created by the bill.</p> <p>The OEPA Director must use the fund for the state’s removal action and remedial action and long term operation and maintenance costs or applicable cost shares for actions taken under the federal “Comprehensive Environmental Response, Compensation, and Liability Act” (CERCLA). The Director may use money in the fund to contract with federal, state, or local government agencies, nonprofit organizations, colleges, and universities to carry out those responsibilities on behalf of OEPA.</p>

Construction and demolition debris (C&DD) fees

(R.C. 3714.073)

The bill reallocates the disposal fee charged for both construction and demolition debris (C&DD) and asbestos or asbestos-containing materials. Currently, the disposal fee charged to a person disposing of C&DD or asbestos is 50¢ per cubic yard or \$1 per ton and that fee is allocated as follows:

1. 12.5¢ per cubic yard or 25¢ per ton is used for soil and water conservation districts; and
2. 37.5¢ per cubic yard or 75¢ per ton is used for recycling and litter prevention.

The bill retains the overall amount charged for disposal (50¢ per cubic yard or \$1 per ton), but reallocates the proceeds distribution by:

1. Reducing the portion of the fee (currently 37.5¢ per cubic yard or 75¢ per ton) that is for recycling and litter prevention by 2.5¢ per cubic yard and 5¢ per ton, respectively; and
2. Allocating the reduced amount (2.5¢ per cubic yard and 5¢ per ton) for waste management under the solid, hazardous, and infectious waste and C&DD laws.

Environmental fee sunsets

(R.C. 3745.11 and 3734.901)

The bill extends the period of validity for various OEPA-administered fees that remain unchanged under the laws governing air pollution control, water pollution control, safe drinking water, and scrap tires. The following table sets forth each fee, its purposes, and the time period OEPA is authorized to charge the fee under prior law and the act:

Type of fee	Description	Fee under current law	Fee under the bill
Synthetic minor facility: emission fee	Each person who owns or operates a synthetic minor facility must pay an annual fee in accordance with a fee schedule that is based on the sum of the actual annual emissions from the facility of particulate matter, sulfur dioxide, nitrogen dioxide, organic compounds, and lead. A synthetic minor facility is a facility for which one or more permits to install or permits to operate have been issued for the air contaminant source at the facility that include terms and conditions that lower the facility's potential to emit air contaminants below the major source thresholds established in rules.	The fee is required to be paid through June 30, 2024.	The bill extends the fee through June 30, 2026.
Wastewater treatment works: plan approval application fee	A person applying for a plan approval for a wastewater treatment works is required to pay one of the following fees depending on the date: <ul style="list-style-type: none"> ▪ A tier one fee of \$100 plus 0.65% of the estimated project cost, up to a maximum of \$15,000; or ▪ A tier two fee of \$100 plus 0.2% of the estimated project 	An applicant is required to pay the tier one fee through June 30, 2024, and the tier two fee on and after July 1, 2024.	The bill extends the tier one fee through June 30, 2026; the tier two fee begins on or after July 1, 2026.

Type of fee	Description	Fee under current law	Fee under the bill
	cost, up to a maximum of \$5,000.		
Discharge fees for holders of NPDES permits	Each NPDES permit holder that is a public discharger or an industrial discharger with an average daily discharge flow of 5,000 or more gallons per day must pay an annual discharge fee based on the average daily discharge flow. There is a separate fee schedule for public and industrial dischargers.	The fees are due by January 30, 2022, and January 30, 2023.	The bill extends the fees and the fee schedules to January 30, 2024, and January 30, 2025.
Surcharge for major industrial dischargers	A holder of an NPDES permit that is a major industrial discharger must pay an annual surcharge of \$7,500.	The surcharge is required to be paid by January 30, 2022, and January 30, 2023.	The bill extends the fee to January 30, 2024, and January 30, 2025.
Discharge fee for specified exempt dischargers	One category of public discharger and eight categories of industrial dischargers that are NPDES permit holders are exempt from the annual discharge fees that are based on average daily discharge flow. Instead, they are required to pay an annual discharge fee of \$180.	The fee is due by January 30, 2022, and January 30, 2023.	The bill extends the fee to January 30, 2024, and January 30, 2025.
License fee for public water system license	A person is prohibited from operating or maintaining a public water system without an annual license from OEPA. Applications for initial licenses or license renewals must be accompanied by a fee, which is calculated using schedules for the three basic categories of public water systems.	The fee for an initial license or a license renewal applied through June 30, 2024, and is required to be paid annually in January.	The bill extends the initial license and license renewal fee through June 30, 2026.
Fee for plan approval to construct, install, or modify a public water system	Anyone who intends to construct, install, or modify a public water supply system must obtain approval of the plans from OEPA. The fee for the plan approval is \$150 plus 0.35% of the estimated project cost. However, continuing law sets a cap on the fee.	The cap on the fee is \$20,000 through June 30, 2024, and \$15,000 on and after July 1, 2024.	The bill extends the cap of \$20,000 through June 30, 2026; the cap of \$15,000 applies on and after July 1, 2026.

Type of fee	Description	Fee under current law	Fee under the bill
Fee on state certification of laboratories and laboratory personnel	<p>In accordance with two schedules, OEPA charges a fee for evaluating certain laboratories and laboratory personnel.</p> <p>An additional provision states that an individual laboratory cannot be assessed a fee more than once in a three-year period unless the person requests the addition of analytical methods or analysts, in which case the person must pay \$500 for each additional survey requested.</p>	<p>The schedule with higher fees applied through June 30, 2024, and the schedule with lower fees applied on and after July 1, 2024.</p> <p>The \$500 additional fee applied through June 30, 2024.</p>	<p>The bill extends the higher fee schedule through June 30, 2026; the lower fee schedule applies on and after July 1, 2026.</p> <p>The bill extends the additional fee through June 30, 2026.</p>
Fee for examination for certification as an operator of a water supply system or wastewater system	A person applying to OEPA to take an examination for certification as an operator of a water supply system or a wastewater system (class A and classes I-IV) must pay a fee, at the time an application is submitted, in accordance with a statutory schedule.	A schedule with higher fees applied through November 30, 2024, and a schedule with lower fees applied on and after December 1, 2024.	The bill extends the higher fee schedule through November 30, 2026; the lower fee schedule applies on and after December 1, 2026.
Application fee for a permit (other than an NPDES permit), variance, or plan approval	A person applying for a permit (other than an NPDES permit), a variance, or plan approval under the Safe Drinking Water Law or the Water Pollution Control Law must pay a nonrefundable fee.	If the application is submitted through June 30, 2024, the fee is \$100. The fee is \$15 for an application submitted on or after July 1, 2024.	The bill extends the \$100 fee through June 30, 2026; the \$15 fee applies on and after July 1, 2026.
Application fee for an NPDES permit	A person applying for an NPDES permit must pay a nonrefundable application fee.	If the application is submitted through June 30, 2024, the fee is \$200. The fee is \$15 for an application submitted on or after July 1, 2024.	The bill extends the \$200 fee through June 30, 2026; the \$15 fee applies on and after July 1, 2026.
Fees on the sale of tires	A base fee of 50¢ per tire is levied on the sale of tires to assist in the cleanup of scrap tires.	Both fees are scheduled to	The bill extends the fees through June 30, 2026.

Type of fee	Description	Fee under current law	Fee under the bill
	An additional fee of 50¢ per tire is levied to assist soil and water conservation districts.	sunset on June 30, 2024.	

Scrap tire provisions

(R.C. 3734.74, 3734.822, 3734.83, and 3734.85)

The bill reduces the financial assurance amount that a person must submit to the OEPA Director to obtain a registration to transport scrap tires. Under current law, prior to the Director issuing the registration, a transporter must submit a surety bond, a letter of credit, or other financial assurance acceptable to the Director of *at least \$20,000*. The bill reduces this amount to *\$10,000 or less*. The Director, consistent with current law, determines the exact amount by considering what is necessary to cover:

1. The costs of cleanup of tires improperly accumulated or discarded by the transporter; and
2. Liability for sudden accidental occurrences that result in damage or injury to persons or property or to the environment.

The bill eliminates the (up to) \$300 fee currently charged to a person registering for and renewing a certificate to transport scrap tires. Current law requires the proceeds of the \$300 fee to be deposited in the Scrap Tire Management Fund.

It also exempts from the scrap tire transporter registration requirements any of the following entities conducting a scrap tire clean up event or community tire amnesty collection event that has received written concurrence from the OEPA:

1. A nonprofit organization;
2. A federal, state, or local government;
3. A university; or
4. Other civic organization.

In addition, it allows the Scrap Tire Grant Fund to be used for both of the following:

1. Scrap tire amnesty and cleanup events hosted or sponsored by a state agency or political subdivision (e.g., a county, municipal corporation, and township); and
2. A scrap tire amnesty and cleanup event hosted by a solid waste management district, in addition to an event sponsored by a district as under current law.

Under current law, the Scrap Tire Grant Fund may be used to support market development activities for scrap tires and synthetic rubber from tire manufacturing processes and tire recycling processes. It also may be used to support scrap tire amnesty cleanup events sponsored by solid waste management districts.

The bill removes the requirement that a person who has been issued an order by the Director to remove scrap tires do so within 120 days after the issuance of the order. Instead, it requires a person to comply with each milestone established in the order within the timeframe specified in the order. Under continuing law, if the person who has been issued the order fails to comply with the order, the Director may then perform scrap tire removal and the person is liable to the Director for the costs associated with the removal. Under the bill, the Director, when performing a scrap tire removal action, may remove, transport, and dispose of any additional solid wastes or construction and demolition debris (C&DD) that was illegally disposed of on the land named in a removal order if the removal of the waste or debris is required by the order. Accordingly, the Director may recover the costs associated with the solid waste and C&DD removal.

Finally, the bill allows, instead of requires, the Director to record scrap tire removal costs at the county recorder of the county in which the accumulation of scrap tires was located. It also allows the Director to record solid waste and C&DD removal costs at the county recorder of the county in which the accumulation of solid wastes and C&DD removed was located.

Original signatories to environmental covenant

(R.C. 5301.90 and 5301.91; R.C. 5301.89, not in the bill)

The bill authorizes an applicable agency (for example, OEPA) that is party to an environmental covenant to determine that the signature of a person who originally signed the covenant is not necessary in order to amend or terminate it. Under current law, an environmental covenant may only be amended or terminated by consent and with the signature of all of the following:

- The applicable agency;
- The current owner in fee simple of the real property that is subject to the covenant (unless waived by the agency);
- Each original signer of the covenant, unless:
 - The person waived in a signed record the right to consent; or
 - A court finds the person no longer exists or cannot be located.

As a result, the bill eliminates the need to provide notice to an original signatory (who the agency determines is not necessary to amend or terminate the environmental covenant) when the environmental covenant is subject to termination or amendment via an eminent domain proceeding. However, the bill retains the ability of an original signatory who is not a current owner of the subject property in fee simple to file a civil action to enforce the covenant.

FACILITIES CONSTRUCTION COMMISSION

- Abolishes the Community School Classroom Facilities Loan Guarantee Program and Community School Classroom Facilities Loan Guarantee Fund.

Community School Classroom Facilities Loan Guarantee

(Repealed R.C. 3318.50 and 3318.52; conforming changes in R.C. 3314.08)

The bill abolishes the Community School Classroom Facilities Loan Guarantee Program and Fund.

Under current law, the Ohio Facilities Construction Commission is authorized to partially guarantee loans made by the governing authority of a community school to assist it in acquiring, improving, or replacing classroom facilities for the community school. Under the program, community schools may apply for loan guarantees for up to 15 years on 85% of the principal and interest on loans to acquire buildings.

GOVERNOR

- Requires the Small Business Advisory Council to meet at the Director of the Common Sense Initiative Office's discretion, instead of at least quarterly as under current law.

Small Business Advisory Council meetings

(R.C. 107.63)

The bill alters when the Small Business Advisory Council must meet by requiring it to meet at the Director of the Common Sense Initiative Office's (CSIO) discretion. Current law requires the Council to meet at least quarterly. Under continuing law, the Council advises the Governor, Lieutenant Governor, and CSIO on the adverse impact that draft and existing rules might have on Ohio small businesses.

DEPARTMENT OF HEALTH

Infant mortality scorecard

- Requires the Department of Health (ODH) to automate its infant mortality scorecard to refresh data in real time on a publicly available data dashboard, as opposed to updating the scorecard quarterly.

WIC vendors

- Requires ODH to process and review a WIC vendor contract application within 45 days of receipt under specified circumstances.

Program for Children and Youth with Special Health Care Needs

- Changes the name of ODH's Program for Medically Handicapped Children to the Program for Children and Youth with Special Health Care Needs.

Admission and medical supervision of hospital patients

- Cancels the scheduled repeal of statutory law governing the admission and medical supervision of hospital patients, including admissions initiated by advanced practice registered nurses and physician assistants.

Second Chance Trust Fund Advisory Committee

- Removes the term limits for members of the Second Chance Trust Fund Advisory Committee (currently limited to two consecutive terms, whether full or partial).
- Removes the requirement that the Committee's election of a chairperson from among its members be annual, instead leaving the details of a chairperson's term to Committee rules.

Smoking and tobacco

Flavored tobacco products

- Prohibits selling, giving away, or otherwise distributing flavored tobacco products to any person, regardless of age.
- Stipulates that a product is presumed to be a flavored tobacco product following a statement or claim by the manufacturer or other authorized person that the product has a taste or smell other than tobacco.
- Requires the Director of Health to impose a fine of at least \$500 for a first violation, \$750 for a second violation within 60 months, and \$1,000 for subsequent violations within 60 months.
- Requires ODH to use fine revenue to defray the cost of enforcing the bill's prohibition on distributing flavored tobacco products.
- Allows the Director to refer repeat violators to the Attorney General for prosecution.

- Stipulates that distributing flavored tobacco products may be grounds for denying, refusing to renew, or revoking state or local food, liquor, tobacco, or other business licenses.
- Provides that, if an employee of a tobacco retailer sells flavored tobacco products at the retailer's place of business, the employee's violation is considered a violation by the tobacco retailer.

Minimum age to sell tobacco products

- Prohibits tobacco businesses from allowing an employee under 18 to sell tobacco products.

Registration of vapor products retailers

- Requires persons engaged in selling vapor products from a place of business in Ohio to annually register with the Director.
- Exempts from the registration requirement persons licensed under continuing law in the business of trafficking cigarettes or solely for vapor product distribution.
- Specifies the form of the initial application and requires \$200 in total fees for each place of business.
- Provides for annual renewal of existing certificates following submission of a renewal application and payment of a \$100 registration fee.
- Requires the Director to deny, refuse to renew, suspend, or revoke a certificate of registration under certain circumstances.
- Allows the Director to impose a penalty of up to \$1,000 on a person who knowingly sells vapor products at retail without the required registration or who fails to display the registration.
- Limits the penalty to \$100 for recently lapsed registrations and allows the Director to waive all or part of a penalty for reasonable cause.
- Requires all fees and fines collected in connection with the registration to be deposited to the Tobacco Use Prevention Fund and used for the administration of the registration program or for tobacco and nicotine prevention or cessation interventions.

Shipment of vapor products and electronic smoking devices

- Prohibits shipment of vapor products and electronic smoking devices to persons other than licensed vapor distributors, vapor retailers, operators of customs bonded warehouses, and state and federal government agencies or employees.
- Prohibits shipping vapor products or electronic smoking devices in packaging other than the original container unless the packaging is marked with the words "vapor products" or "electronic smoking devices."

Other tobacco law changes

- Clarifies that substances intended to be aerosolized or vaporized during the use of an electronic smoking device need not contain nicotine to be considered part of the device under the law governing the sale and distribution of tobacco products.
- Clarifies that a component or accessory used in the consumption of a tobacco product, such as filters, rolling papers, or pipes, need not contain nicotine to be considered a tobacco product under the law governing the sale and distribution of such products.
- Removes an extraneous definition for “proof of age,” which is not used anywhere in the law governing the sale and distribution of tobacco products.

Moms Quit for Two

- Continues the Moms Quit for Two grant program for the delivery of tobacco cessation interventions to women who are pregnant or living with children and reside in communities with the highest incidence of infant mortality.

Renovation, Repair, and Painting Rule

- Authorizes the ODH Director to enter into agreements with the U.S. Environmental Protection Agency for the administration and enforcement of the federal Renovation, Repair, and Painting (RRP) Rule, which establishes requirements regarding lead-based paint hazards associated with renovation, repair, and painting activities.
- Allows the Director to both:
 - Accept available assistance in support of those agreements; and
 - Adopt rules to administer and enforce the federal RRP Rule.

Environmental health specialists

- Recodifies R.C. Chapter 4736, the law governing environmental health specialists (EHSs) and environmental health specialists in training (EHSs in training), in new R.C. Chapter 3776.
- Adds that EHSs and EHSs in training may administer and enforce the law governing tattoos and body piercing.
- Clarifies that EHSs and EHSs in training may administer and enforce the law governing hazardous waste.
- Removes all statutorily imposed fee amounts associated with EHS and EHS in training registration and renewal, and instead requires the ODH Director to establish those fees through rulemaking.
- Clarifies that all fees collected under the EHS law are deposited into the ODH General Operations Fund, and eliminates a conflict in current law that requires the fees to be deposited in both that fund and the Occupational Licensing and Regulatory Fund.

- Broadens the ODH Director’s rulemaking authority regarding EHSs and EHSs in training, including allowing any rulemaking that is necessary for the administration and enforcement of the EHS law.
- Allows the ODH Director to prescribe the requirements governing and form of examination for initial EHS registration, rather than requiring applicants to take an examination created by the National Environmental Health Association as in current law.
- In preparing the examination, allows the ODH Director to utilize materials prepared by specified experts in environmental health.
- Specifies that an EHS applicant who fails their initial exam may retake the examination at a time and place specified by the ODH Director.
- Requires an EHS applicant who is retaking an examination to resubmit an application and pay the application fee.
- Requires EHSs in training to comply with the same continuing education requirements as are required for EHSs, such as biennially completing a 24-hour continuing education program in specified subjects.
- Repeals the requirements that the ODH Director provide, at least once annually, to each EHS a list of approved courses that satisfy the continuing education program and supply a list of continuing education courses to an EHS upon request.
- Clarifies that the ODH Director may renew an EHS or EHS in training registration 60 days prior to expiration, provided the applicant pays the renewal fee and proof of compliance with continuing education requirements.
- Specifies that an EHS in training has up to four years (with a two-year possible extension) to apply as an EHS instead of three years (with a two-year possible extension) as under current law.
- Prohibits a person who is not a registered EHS in training from using the title “registered environmental health specialist in training” or the abbreviation “E.H.S.I.T.,” or representing themselves as a registered EHS in training.
- Repeals the requirements that the ODH Director:
 - Prepare annually a list of the names and addresses of every registered EHS and EHS in training and a list of every EHS and EHS in training whose registration has been suspended or revoked within the previous year; and
 - Assign a serial number to each certificate of registration and include it in EHS and EHS in training registration records.
- Removes the requirement that the ODH Director obtain the advice and consent of the Senate when appointing members of the Environmental Health Specialist Advisory Board.

Household sewage treatment systems (HSTS)

- Specifies that an HSTS is causing a public health nuisance if it is discharging to a dry well, cesspool, sinkhole, or other connection to groundwater.
- Specifies that an HSTS component is an independent portion of the system that provides effluent treatment and includes septic tanks, approved pretreatment products, tertiary treatment products, and soil absorption products.
- Specifies that an HSTS component does not include dry wells, leaching wells, abandoned wells, drainage wells, cesspools, sinkholes, and other direct connections to groundwater that do not provide effluent treatment.

Infant mortality scorecard

(R.C. 3701.953)

The Ohio Department of Health (ODH) is required to create and publish an infant mortality scorecard tracking statewide data related to infant mortality. Current law requires it to publish the scorecard on its website and update the data quarterly. The bill requires ODH instead to build and automate a publicly available data dashboard that refreshes data in real time.

WIC vendors

(Section 291.40)

The bill maintains a requirement in uncodified law that ODH process and review a WIC vendor contract application pursuant to existing ODH regulations within 45 days after receipt if the applicant is a WIC-contracted vendor and (1) submits a complete application and (2) passes the required unannounced preauthorization visit and completes the required in-person training within that 45-day period. If the applicant fails to meet those requirements, ODH must deny the application. After denial, the applicant may reapply during the contracting cycle of the applicant's WIC region.

WIC is the Special Supplemental Nutrition Program for Women, Infants, and Children. WIC helps eligible pregnant and breastfeeding women, women who recently had a baby, infants, and children up to five years of age. It provides nutrition education, breastfeeding education and support; supplemental, highly nutritious foods and iron-fortified infant formula; and referral to prenatal and pediatric health care and other maternal and child health and human service programs.

Program for Children and Youth with Special Health Care Needs

(R.C. 3701.023 with conforming changes in numerous other R.C. sections)

The bill changes the name of the Program for Medically Handicapped Children to the Program for Children and Youth with Special Health Care Needs.

The program is administered by ODH and serves families of children and young adults with special health care needs, including AIDS, hearing loss, cancer, juvenile arthritis, cerebral

palsy, metabolic disorders, cleft lip/palate, severe vision disorders, cystic fibrosis, sickle cell disease, diabetes, spina bifida, scoliosis, congenital heart disease, hemophilia, and chronic lung disease. The program has three core components: diagnostic, treatment, and service coordination.

Admission and medical supervision of hospital patients

(Section 130.56, primary; sections 130.54 and 130.55, amending Sections 130.11 and 130.12 of H.B. 110 of the 134th G.A.; conforming changes in Sections 130.50 to 130.53)

The bill cancels the repeal – scheduled for September 30, 2024 – of statutory law governing the admission and medical supervision of hospital patients, including admissions initiated by advanced practice registered nurses and physician assistants, and makes conforming changes in related statutes.³⁴ Under H.B. 110, the main operating budget of the 134th General Assembly, this law is scheduled to be repealed as part of H.B. 110’s provisions requiring each hospital to hold a license issued by the ODH Director by September 30, 2024.

Second Chance Trust Fund Advisory Committee

(R.C. 2108.35)

The bill makes changes to the Second Chance Trust Fund Advisory Committee. First, it removes the term limits for members, who currently are limited to two consecutive terms, whether full or partial. Second, it removes the requirement that the Committee annually elect a chairperson from among its members, instead leaving the details of a chairperson’s election and term to the rules of the Committee.

Under continuing law, the Committee makes recommendations to the ODH Director regarding how to spend proceeds of the Second Chance Trust Fund. The fund consists of voluntary contributions and its own investment earnings, used to promote organ donation in Ohio through public education and awareness campaigns, outreach to legal and medical organizations, and recognition of donor families.

Smoking and tobacco

Flavored tobacco products

(R.C. 2927.02(A)(6), (B)(8), (F), and (G)(3))

Prohibition

The bill prohibits selling, giving away, or otherwise distributing (hereafter, “distributing”) flavored tobacco products to any person, regardless of age. It defines “flavored tobacco product” as a tobacco product, vapor product, or alternative nicotine product that conveys a taste or smell, other than tobacco, that is recognizable by an ordinary consumer before or during consumption of the product. The taste or smell may be related to fruit, menthol, mint, wintergreen, chocolate, cocoa, vanilla, molasses, honey, candy, dessert, alcoholic beverage, herb, or spice. The prohibition applies to all persons, including a manufacturer, producer, distributor, wholesaler, or

³⁴ R.C. 3727.06, not in the bill. See also R.C. 3701.351, and R.C. 3727.70 and 4723.431, not in the bill.

retailer of cigarettes, other tobacco products, alternative nicotine products, or papers to roll cigarettes, and agents, employees, and representatives of any of those persons.

The bill stipulates that a statement or claim that a product has a taste or smell other than tobacco creates a presumption that the product is a flavored tobacco product when it is made by the product manufacturer or a person authorized by the manufacturer to make such a statement or claim.

Penalties

The bill requires the Director of Health to impose the following civil penalties on a person who distributes flavored tobacco products:

Flavored Tobacco Product Penalties	
Violation (within 60 months)	Penalty
First violation	\$500
Second violation	\$750
Subsequent violations	\$1,000

Each day that a person distributes flavored tobacco products constitutes a separate violation. Violations that occur before the effective date of the prohibition or more than 60 months before the date of the person's most recent violation do not count towards the cumulative number of violations. If an employee of a tobacco retailer distributes flavored tobacco products at the retailer's place of business, the employee's violation is considered a violation by the tobacco retailer. The penalties prescribed by the bill are in addition to any other civil and criminal sanctions that may apply under continuing law.

The ODH Director or the Director's designee may request that the Attorney General prosecute a person following their third or subsequent violation. A court may grant an injunction against such a person or any other relief as the facts warrant. Distributing flavored tobacco products or failing to pay the resulting civil penalties may also be grounds for denying, refusing to renew, or revoking state or local food, liquor, tobacco, or other business licenses.

Flavored Tobacco Product Enforcement Fund

All penalties collected from persons that distribute flavored tobacco products must be deposited to the Flavored Tobacco Product Enforcement Fund, which the bill creates. ODH must use moneys deposited to the fund to reimburse the costs of enforcing the prohibition on distributing flavored tobacco products.

Minimum age to sell tobacco products

(R.C. 2927.02(B)(7), (E)(2), and (G))

The bill expands the offense of illegal distribution of tobacco products by prohibiting any person from allowing an employee under 18 to sell tobacco products. A violation of this provision is a fourth degree misdemeanor for a first offense, and a third degree misdemeanor on subsequent offenses.

The bill clarifies that it is not a violation of either of the following for an employer to permit an employee age 18, 19, or 20 to sell a tobacco product:

- The prohibition against distributing tobacco products to any person under 21;
- The prohibition against distributing tobacco products in a place lacking required signage relating to the underage sale of tobacco products.

Registration of vapor products retailers

(R.C. 2927.02, 2927.025, 2927.026, 2927.027, 3701.841, and 5703.21)

The bill requires persons engaged in selling vapor products to consumers from a place of business in Ohio (“vapor retailers”) to annually register with the ODH Director. Under continuing law, vapor products are goods, other than cigarettes or other tobacco products, that contain or are made or derived from nicotine and that are intended and marketed for human consumption, including by smoking, inhaling, snorting, or sniffing. Vapor products include any component of an electronic smoking device, regardless of whether the component contains nicotine.

A separate registration is required for each place of business, even if multiple places of business are under common ownership or control. Persons licensed under continuing law in the business of trafficking cigarettes or solely for vapor product distribution, i.e., for the sale of vapor products to retailers as opposed to consumers, are exempt from the bill’s registration requirement.

Application

A person that seeks registration as a vapor retailer must submit a sworn application to the ODH Director that states the applicant’s name, address, telephone number, and email address, and the location of each place of business at which the applicant proposes to sell vapor products to consumers. In addition, the Director may require an applicant to submit documentation showing that each place of business complies with all state and local building, fire, and zoning requirements. All application materials must be submitted on a form designated by the Director. Initial applicants must pay \$200 in total fees for each proposed place of business.

Review

The ODH Director must review and make a determination on an application within 60 days of receipt. The Director may deny an application only if one or more of the following disqualifying conditions apply:

- The applicant willfully made a materially false statement in the application or in other correspondence with ODH;

- The applicant has not filed all returns, submitted all information, and paid all outstanding state taxes, charges, or fees;
- The application is incomplete or the applicant failed to provide documentation requested by the Director regarding compliance with state and local building, fire, and zoning requirements;
- The Director determines that the applicant lacks financial responsibility, experience, or general fitness as to warrant the belief that the business will be operated lawfully, honestly, and fairly; or
- The applicant has been convicted, within the three preceding years, of a violation of the law governing the sale and distribution of cigarettes, tobacco products, alternative nicotine products, or vapor products (e.g., selling such products to a person under 21).

The bill allows, but does not require, the Director to conduct an investigation as part of reviewing the application. The Director may request the assistance of the Tax Commissioner in determining whether the applicant is current on all state taxes, fees, and charges. The Commissioner must respond to such a request within 20 days, and the bill specifies that such a response does not constitute an impermissible disclosure of taxpayer information. Continuing law permits disclosure of certain information in possession of the Department of Taxation to other state agencies and offices under specified circumstances to aid in the implementation of state law. Otherwise, the disclosure of taxpayer information is prohibited and subjects the violator to employment termination and a fine.

If the application is approved, the Director must issue the applicant a certificate of registration or each place of business described in the application. The certificate is valid for one year following the date of issuance. The vapor retailer must post the certificate in a prominent location adjacent to the vapor products that are offered for sale.

Transfer or assignment

A certificate of registration cannot be transferred or assigned except in the following circumstances:

- In the dissolution of a partnership by death, the surviving partner may operate under the certificate until it expires;
- The heirs or legal representatives of a deceased vapor retailer may operate under the certificate until its expiration if the heirs or representatives notify ODH within 30 days of succession;
- The receivers and trustees in bankruptcy may operate under the certificate until its expiration if the receivers and trustees notify ODH within 30 days of dissolution.

The same transfer exceptions apply to the vapor products distributor license issued by the Tax Commissioner under continuing law. The bill specifies that a certificate of registration does not constitute property and is, therefore, not subject to attachment of execution.

Renewal

A vapor retailer may renew a certificate of registration on or before the date it expires by filing an application for renewal and submitting a \$100 annual registration fee for each place of business. The bill prohibits the ODH Director from renewing the certificate of a vapor retailer that has not paid all outstanding penalties (see “**Penalties**” below) or to which any of the disqualifying conditions, discussed above in “**Review**,” apply.

Penalties

The bill allows the ODH Director to impose a penalty of up to \$1,000 on any person that knowingly engages in selling vapor products from a place of business in Ohio without a certificate of registration, or who fails to display the registration adjacent to the vapor products offered for sale. However, the penalty is limited to \$100 for recently lapsed registrations that expired no more than 90 days before the violation. The Director may waive all or part of a penalty for reasonable cause.

The Director may suspend or revoke a certificate of registration if the vapor retailer is convicted of a violation of the law governing the sale and distribution of cigarettes, tobacco products, alternative nicotine products, or vapor products or if the Director determines that any of the disqualifying conditions, discussed above in “**Review**,” apply.

Tobacco Use Prevention Fund

The bill requires that all registration fees and fines paid by vapor retailers be deposited to the Tobacco Use Prevention Fund and used by ODH for the administration of the vapor retailer registration and for tobacco and nicotine prevention or cessation interventions.

Rulemaking

The bill requires the ODH Director to adopt rules for the administration of the vapor retailer registration. The rules must include procedures for appealing the denial, refusal to renew, suspension, or revocation of a registration.

Shipment of vapor products and electronic smoking devices

(R.C. 2927.02 and 2927.023)

Continuing law makes each of the following a criminal offense, punishable by a fine of up to \$1,000 for each violation:

- For any person to cause cigarettes to be shipped to a person in Ohio other than an authorized recipient of tobacco products;
- For a common carrier, contract carrier, or other person to knowingly transport cigarettes to a person in Ohio that the carrier or other person reasonably believes is not an authorized recipient of tobacco products;
- For any person engaged in the business of selling cigarettes to ship cigarettes or cause cigarettes to be shipped in any container or wrapping other than the original container or wrapping without first marking the exterior with the word “cigarettes.”

The bill extends the same offenses to vapor products and electronic smoking devices, except that, for the third offense, the container or wrapping must instead be marked with the words “vapor products” or “electronic smoking devices.” In addition, the bill specifies that the following persons are “authorized recipients of vapor products or electronic smoking devices”: licensed tobacco or vapor distributors, vapor retailers (if all taxes have been paid), operators of customs bonded warehouses, state and federal government agencies and employees, and political subdivision agencies and employees.

Other tobacco law changes

(R.C. 2927.02(A)(5), (6), and (7))

Continuing law prohibits giving, selling, or otherwise distributing cigarettes, tobacco products, vapor products, or electronic smoking devices to a person under 21, and includes numerous related prohibitions and requirements that make it more difficult for a person under 21 to obtain those products. The bill specifies that both of the following are subject to these prohibitions and requirements, regardless of whether they contain nicotine:

- Substances intended to be aerosolized or vaporized during the use of an electronic smoking device;
- Components or accessories used in the consumption of a tobacco product, such as filters, rolling papers, or pipes.

The bill also corrects a technical error by removing a definition for “proof of age,” which is not used anywhere in the law governing the sale and distribution of tobacco products.

Moms Quit for Two grant program

(Section 291.30)

The bill continues Moms Quit for Two. Authorized in each biennium since 2015, it is a grant program administered by ODH that awards funds to government or private, nonprofit entities demonstrating the ability to deliver evidence-based tobacco cessation interventions to women who are pregnant or living with a pregnant woman and reside in communities that have the highest incidence of infant mortality, as determined by the ODH Director.

Renovation, Repair, and Painting Rule

(R.C. 3742.11)

The bill authorizes the ODH Director to enter into agreements with the U.S. Environmental Protection Agency (USEPA) for the administration and enforcement of the federal Renovation, Repair, and Painting (RRP) Rule. Under the RRP Rule, firms performing renovation, repair, and painting projects that disturb lead-based paint in homes, child care facilities, and pre-schools built before 1978 must be certified by USEPA (or a USEPA-authorized state), use certified renovators who are trained by USEPA-approved training providers, and follow lead-safe work practices.

The bill also allows the Director to accept available assistance in support of the agreements. The Director may adopt rules to administer and enforce the federal RRP Rule. If the Director adopts rules, the rules must specify the following:

1. Provisions governing applications for certification to undertake renovation, repair, and painting projects;
2. Provisions governing the approval and denial of certification and the renewal, suspension, and revocation of certification;
3. Fees for any certification issued or renewed under the Rule;
4. Requirements for training and certification, which must include levels of training and periodic refresher training for certifications issued under the Rule;
5. Procedures to be followed by a person certified under the Rule to undertake renovation, repair, and painting projects and to prevent public exposure to lead hazards and ensure worker protection during renovation, repair, or painting projects;
6. Provisions governing the imposition of civil penalties (up to \$5,000 per violation) for violations of procedures adopted under the Rule;
7. Record-keeping and reporting requirements for a person certified under the Rule;
8. Procedures for the approval of training providers under the Rule, including specific training course requirements; and
9. Any other procedures and requirements that the Director determines necessary for implementation of the Rule.

Environmental health specialists

(R.C. 4736.01 (renumbered to R.C. 3776.01), 4736.02 (renumbered to 3776.02), 4736.03 (renumbered to 3776.03), 4736.07 (renumbered to 3776.04), 4736.08 (renumbered to 3776.05), 4736.09 (renumbered to 3776.06), 4736.11 (renumbered to 3776.07), 4736.12 (renumbered to 3776.08), 4736.13 (renumbered to 3776.09), 4736.14 (renumbered to 3776.10), and 4736.15 (renumbered to 3776.11); R.C. 4736.05 (repealed), 4736.06 (repealed), and 4736.10 (repealed); R.C. 4736.17 (renumbered only) and 4736.18 (renumbered only); and R.C. 2925.01, 3701.33, 3701.83, 3717.27, 3717.47, 3718.011, 3718.03, 3742.03, 4743.05, 4776.20, and 5903.12 (conforming changes only))

The bill recodifies R.C. Chapter 4736, the law governing environmental health specialists (EHSs) and environmental health specialists in training (EHSs in training), in new R.C. Chapter 3776. EHSs and EHSs in training are registered professionals who engage in the practice of environmental health. They typically are employed by or contracted to work for local health districts, ODH, or the Department of Agriculture because of their specialized knowledge, training, and experience in the field of environmental health science.

Under current law, an EHS or EHS in training engages in the practice of environmental health by administering and enforcing various laws, including laws governing swimming pools, retail food establishments, food service operations, household sewage treatment systems, solid

waste, and construction and demolition debris. The bill adds that EHSs and EHSs in training may administer and enforce the law governing tattoos and body piercing. It also clarifies that EHSs and EHSs in training may administer and enforce the law governing hazardous waste.

Fees

The bill removes all statutorily imposed fee amounts associated with EHS and EHS in training registration and renewal, and instead requires the ODH Director to establish those fees through rulemaking. Under current law, the fees for EHS and EHS in training are as follows:

EHS and EHS in training fees – current law	
Fee	Amount
EHS in training registration	\$50
EHS registration by an EHS in training	\$50
EHS registration by a non-EHS in training	\$100
EHS renewal	\$75
EHS in training renewal	\$35
Late renewal	\$75

The Director, with the approval of the Controlling Board, may establish fees in excess of those amounts, but not by more than 50%. However, the bill allows the Director to establish all fees through rulemaking. Additionally, it clarifies that all fees collected under the EHS law are deposited into the ODH General Operations Fund, and eliminates a conflict in current law that requires the fees to be deposited in both that fund and the Occupational Licensing and Regulatory Fund.

Rulemaking authority

The bill broadens the ODH Director's rulemaking authority regarding EHSs and EHSs in training. Under current law, the Director must adopt rules governing certain EHS requirements, such as the examination verification procedures, the application form, criteria for determining what science courses qualify towards EHS education requirements, and the determination of continuing education program requirements. The bill expands the Director's rulemaking authority by authorizing the Director to adopt rules of a general application throughout Ohio for the practice of environmental health that are necessary to administer and enforce the EHS law, including rules governing all of the following:

1. The registration, advancement, and reinstatement of applicants to practice as EHSs or EHSs in training;

2. The administration of the EHS examination (which, under current law, is administered by a national organization);
3. Educational requirements necessary for the qualification for registration as an EHS or an EHS in training, including criteria for determining what courses may be included toward fulfillment of the science course requirements;
4. Continuing education requirements for EHSs and EHSs in training, including the process for applying for continuing education credits;
5. Any fees necessary to provide funding for the administration and enforcement of the EHS law; and
6. Any other rule necessary for the administration and enforcement of the EHS law.

EHS examination

As indicated above, in order to qualify for registration as an EHS, an applicant must meet certain educational and employment requirements *and* pass an examination. The bill allows the ODH Director to prescribe the requirements governing and the form of the examination for initial EHS registration. The Director must ensure that the examination includes subjects in the field of environmental health science and other subjects as the Director may prescribe. Further, the Director must ensure that the examination is objective and practical. The Director may utilize materials prepared by specified experts in environmental health. Under current law, EHS applicants must take an examination created by the National Environmental Health Association.

The bill specifies that an EHS applicant who fails their initial exam may retake the examination at a time and place specified by the Director. It also requires an EHS applicant who is retaking an examination to resubmit an application and pay the application fee.

Continuing education

The bill requires EHSs in training to comply with the same continuing education requirements as are required for EHSs. The continuing education program requires EHSs (and EHSs in training under the bill) to biennially complete 24 hours of continuing education in subjects relating to the practice of the profession. An EHS (and EHS in training under the bill) cannot renew their registration without submitting proof of completing the 24-hour continuing education requirement.

In addition, it repeals the requirements that the Director do both of the following:

1. Provide, at least once annually, to each EHS a list of approved courses that satisfy the continuing education program; and
2. Supply a list of continuing education courses to an EHS upon request.

EHS and EHS in training registration

The bill clarifies that the ODH Director may renew an EHS or EHS in training registration 60 days prior to expiration, provided the applicant pays the renewal fee and submits proof of compliance with continuing education requirements. Current law is silent on the amount of time the Director may begin to renew registrations prior to their expiration date.

It also specifies that an EHS in training has up to four years, with a two-year possible extension, to apply as an EHS. Under current law, an EHS in training has three years to apply to register as an EHS. The Director may allow the two-year extension only for an EHS in training who provides sufficient cause for not applying for registration as an EHS within the normal time period.

Additionally, the bill eliminates the requirement that the Director annually prepare a list of the names and addresses of every registered EHS and EHS in training and a list of every EHS and EHS in training whose registration has been suspended or revoked within the previous year. It also eliminates the requirement that the Director assign a serial number to each certificate of registration and include it in the registration records. However, the bill retains other record-keeping requirements, such as the names and addresses of each applicant, the name and address of the employer or business connection of each applicant, application dates, an applicant's educational and employment qualifications, and the action taken by the Director on each application.

The bill prohibits a person who is not a registered EHS in training from using the title "registered environmental health specialist in training" or the abbreviation "E.H.S.I.T.," or representing themselves as a registered EHS in training. Whoever violates this prohibition is guilty of a fourth degree misdemeanor. This prohibition mirrors current law's prohibiting a person who is not a registered EHS from using the title "registered environmental health specialist" or the abbreviation "R.E.H.S.," or representing themselves as a registered EHS.

Advisory Board

The bill removes the requirement that the ODH Director obtain the advice and consent of the Senate when appointing members of the Environmental Health Specialist Advisory Board. The Advisory Board, which is made up of seven appointees who are all EHSs, advises the Director regarding the registration of EHSs and EHSs in training, continuing education requirements, EHS examinations, the education and employment criteria for EHS and EHS in training applicants, and any other matters as may be of assistance to the Director.

Household sewage treatment systems (HSTS)

(R.C. 3718.01 and 3718.011)

The bill specifies that an HSTS is causing a public health nuisance if it is discharging to a dry well, cesspool, sinkhole, or other connection to groundwater. Under current law retained by the bill, an HSTS is causing a public health nuisance when it is not operating properly due to a missing component, incorrect settings, or a mechanical or electrical failure or when there is a blockage in the system.

Additionally, the bill specifies that an HSTS component is an independent portion of the system that provides effluent treatment and includes septic tanks, approved pretreatment products, tertiary treatment products, and soil absorption products. However, it does not include dry wells, leaching wells, abandoned wells, drainage wells, cesspools, sinkholes, and other direct connections to groundwater that do not provide effluent treatment. Under current law, components of HSTSs require approval by the HSTS technical advisory committee and DOH.

DEPARTMENT OF HIGHER EDUCATION

Restriction on instructional fee increases

- For the 2023-2024 and 2024-2025 academic years, prohibits state universities, and university branch campuses from increasing instructional and general fees over those charged in the prior academic year, except as otherwise permitted in an undergraduate tuition guarantee program.
- For the 2023-2024 and 2024-2025 academic years, permits community colleges, state community colleges, and technical colleges to increase instructional and general fees by not more than \$5 per credit hour over the previous academic year.
- Excludes from the fee restrictions: student health insurance, auxiliary goods or services fees provided to students at cost, pass-through fees for licensure and certification exams, study abroad fees, elective service charges, fines, and voluntary sales transactions.

Ohio College Opportunity Grant program

- Beginning with students who first enroll in the 2023-2024 academic year, generally limits eligibility for an Ohio College Opportunity Grant Program (OCOG) award to students enrolled at a state university main campus, a private nonprofit university or college, or a private for-profit career college.
- Increases the income eligibility threshold for an OCOG award from an expected family contribution (EFC) of \$2,190 or less to \$10,000 or less, beginning with students who first enroll in the 2023-2024 academic year.
- Prescribes OCOG award amounts in statute for students who first enroll in the 2023-2024 academic year or later.

Second Chance Grant Program

- Increases the award amount for the Second Chance Grant Program from \$2,000 to \$3,000.
- Increases, from one-time, to each academic year until the student completes their degree, the frequency a grant may be awarded under specified conditions.
- Expands eligibility for the program to students who enroll in a qualifying institution within ten, rather than five, years of disenrollment.
- Designates eight months as the metric for determining a student's disenrollment period for eligibility purposes for the program for institutions that do not operate on a semester calendar.

War Orphans and Severely Disabled Veterans scholarship and veterans' tuition waiver

- Disqualifies children of World War I veterans from receiving a War Orphans and Severely Disabled Veterans' Children Scholarship.

- Disqualifies World War I veterans from receiving a tuition waiver from any state-supported school, college, or university, and instead qualifies World War II veterans for such a waiver.

Mentor Scholarship Program

- Establishes the Mentorship Scholarship Program, under which approved community-based organizations establish mentorship programs and participating mentees may receive \$2,500 scholarships for use at qualifying institutions.

Governor's Merit Scholarship

- Establishes the Governor's Merit Scholarship Program to award \$5,000 per year, merit-based scholarships to eligible students to pay eligible expenses at qualifying institutions.

Office of Computer Science Education

- Transfers all matters of computer science education to the newly created Office of Computer Science Education.
- Creates the Office of Computer Science Education, the Teach CS Grant Program, the Ohio Computer Science Promise Program, the Ohio Computer Science Council, and the Ohio Computer Science Council Gifts and Donations Fund, collectively establishing a Computer Science Education Framework within the system of higher education.

Public service program and curriculum

- Requires institutions of higher education to develop a program and curriculum to prepare students enrolled in public or chartered nonpublic high schools for public service careers.
- Requires the Chancellor of Higher Education to adopt rules governing the operation of the program that include a procedure under which students who take courses established under the model program may earn both high school and college credit pursuant to the College Credit Plus Program.

ApplyOhio

- Establishes the Office of ApplyOhio within the Department of Higher Education to perform duties related to promoting access to an affordable postsecondary education.

Direct Admissions Pilot Program

- Establishes the Direct Admissions Pilot Program to notify students in participating high schools if they meet the admissions criteria for participating postsecondary institutions.

State institution policies and rules

College transcripts

- Requires each state institution of higher education to adopt a resolution determining whether to end the practice of transcript withholding by December 1, 2023.

- Requires the Chancellor to provide a copy of each resolution to the Governor, the Speaker of the House, and the Senate President by January 1, 2024.

Administrative rules

- Exempts state institutions of higher education from complying with the rule adoption procedures of the Administrative Procedure Act or R.C. 111.15 when adopting administrative rules that currently must be posted on the institution's website and are exempt from the Joint Committee on Agency Rule Review's review, unless the institution is specifically required to follow either procedure.
- Requires the Director of the Legislative Service Commission to remove from the electronic Administrative Code any rules adopted by a state institution of higher education before the provision's effective date that the institution posted on its website under continuing law.

Teacher preparatory programs

- Requires metrics and educator preparation programs to ensure that all educators complete coursework in evidence-based strategies for effective literacy instruction.

College Credit Plus Program

- Permits the Chancellor, in consultation with the state Superintendent, to take action as necessary to ensure that public colleges and universities and school districts are fully engaging and participating in the College Credit Plus Program (CCP).
- Requires the Chancellor and Superintendent to work with public secondary schools and partnering public colleges and universities to encourage the establishment of model pathways that prepare participants to successfully enter the workforce in certain fields.

Obsolete reports and programs

- Abolishes the Ohio Instructional Grant Program.
- Abolishes the OhioCorps Pilot Program.
- Eliminates a requirement for the Chancellor to develop and implement a statewide plan permitting high school students to receive college credit for approved career-technical education courses.
- Eliminates an obsolete requirement that the Ohio Articulation and Transfer Network Oversight Board issue a report to the General Assembly by March 2, 2022, regarding college credit transfer rules for state institutions of higher education.

DEPARTMENT OF HIGHER EDUCATION

As used in this chapter of the analysis:

A **state institution of higher education** means any of the 14 state universities and each community college, state community college, technical college, and university branch campus.

The state universities are the University of Akron, Bowling Green State University, Central State University, University of Cincinnati, Cleveland State University, Kent State University, Miami University, Northeast Ohio Medical University, Ohio University, Ohio State University, Shawnee State University, University of Toledo, Wright State University, and Youngstown State University.

Ohio technical centers are career-technical centers and schools that provide adult education and are recognized as such by the Chancellor of Higher Education.

Restriction on instructional fee increases

(Section 381.260)

In-state undergraduate instructional and general fees

State universities

Under law unchanged by the bill, each state university is required to establish an undergraduate tuition guarantee program. Under that program, each entering cohort of undergraduate students pays an immediate increased rate for instructional and general fees, but that rate is guaranteed not to increase again for that particular cohort for the next four years. That increase is the sum of the average rate of inflation for the past 36 months and the percentage amount the General Assembly restrains increases on in-state undergraduate instructional and general fees for the fiscal year.³⁵

For FY 2024 and FY 2025 (the 2023-2024 and 2024-2025 academic years), the bill prohibits each state university and each university branch campus from increasing its in-state undergraduate instructional and general fees over what the institution charged in the prior academic year. Therefore, a state university may only increase those fees in each of those years by the average rate of inflation in the prior 36 months.

Community, state community, and technical colleges

For the same years as state universities, each community college, state community college, and technical college may not increase its instructional and general fees more than \$5 per credit hour over what it charged in the previous academic year.

Special fees

Increases for all other special fees, including newly created ones, are subject to the approval of the Chancellor.

Exclusion

The bill's limits on fee increases explicitly *exclude*:

- Student health insurance;
- Fees for auxiliary goods or services provided to students at the cost incurred to the institution;

³⁵ R.C. 3345.48, not in the bill.

- Fees assessed to students as a pass-through for licensure and certification exams;
- Fees in elective courses associated with travel experiences;
- Elective service charges;
- Fines; and
- Voluntary sales transactions.

As in previous biennia when the General Assembly capped tuition increases, the bill's provisions do not apply to increases required to comply with institutional covenants related to the institution's obligations or to meet unfunded legal mandates or legally binding prior obligations or commitments. Further, the Chancellor, with Controlling Board approval, may approve an increase to respond to exceptional circumstances identified by the Chancellor.

Ohio College Opportunity Grant Program

(R.C. 3333.122; Section 381.490)

The bill makes several changes to the Ohio College Opportunity Grant Program (OCOG) regarding student eligibility and award amounts. OCOG is the state's sole need-based financial aid program for Ohio residents pursuing an undergraduate education at an institution of higher education in Ohio.

For more information on OCOG, see the LSC [Ohio College Opportunity Grant: Q&A \(PDF\)](#) Members Brief, which is available at LSC's website: lsc.ohio.gov/publications.

Eligibility

Beginning with students who first enroll in the 2023-2024 academic year, the bill revises eligibility requirements to receive an OCOG award. It increases the income eligibility threshold for an award from an expected family contribution (EFC) of \$2,190 or less to \$10,000 or less. It also generally limits eligibility for an award to students enrolled at the main campus of a state university, a private nonprofit college or university, or a private for-profit career college.

Under current law, which under the bill continues to apply to students who first enrolled prior to the 2023-2024 academic year, students at university branch campuses, community colleges, state community colleges, and technical colleges also may qualify for OCOG awards. However, in practice, few students in those institutions receive awards due to the state's "Pell-first" policy. For a further discussion of the "Pell-first" policy, see the LSC Ohio College Opportunity Grant: Q&A Members Brief linked above.

Award amount

Current law requires the Chancellor to determine the OCOG award amount for each institutional sector by subtracting the maximum Pell grant and maximum EFC from a sector's

average instructional and general fees. Customarily, though, the main operating budget act has modified award amounts for a biennium.³⁶

The bill maintains current law for students who first enrolled prior to the 2023-2024 academic year and prescribes specific award amounts for them for the biennium. However, for students who first enroll in the 2023-2024 academic year or later, the bill establishes award amounts in statute. As a result, the bill provides students with the same award amount for each fiscal year in which they receive a grant. That is, students will receive the same award amount in their final year in an institution as in their first year. Generally, in the past, OCOG award amounts have changed each fiscal year for all students receiving awards.

The tables below include the award amounts prescribed for students under the bill.

OCOG award amounts based on first enrollment			
State university main campus students	FY 2024	FY 2025	Future fiscal years
Prior to the 2023-2024 academic year	\$2,700	\$2,700	Amount determined by Chancellor
In the 2023-2024 academic year	\$4,000	\$4,000	\$4,000
In the 2024-2025 academic year or later	N/A	\$6,000	\$6,000
Private nonprofit college or university students	FY 2024	FY 2025	Future fiscal years
Prior to the 2023-2024 academic year	\$4,200	\$4,200	Amount determined by Chancellor
In the 2023-2024 academic year	\$5,000	\$5,000	\$5,000
In the 2024-2025 academic year or later	N/A	\$6,000	\$6,000
Private for-profit career college students	FY 2024	FY 2025	Future fiscal years
Prior to the 2023-2024 academic year	\$1,600	\$1,600	Amount determined by Chancellor

³⁶ For example, Section 381.360 of H.B. 110 of the 134th General Assembly required the Chancellor to determine award amounts.

OCOG award amounts based on first enrollment			
In the 2023-2024 academic year	\$1,600	\$1,600	\$1,600
In the 2024-2025 academic year or later	N/A	\$1,600	\$1,600
State institution students who are not at a state university main campus	FY 2024	FY 2025	Future fiscal years
Prior to the 2023-2024 academic year	\$2,700	\$2,700	Amount determined by Chancellor

Institutional financial aid requirements

The bill establishes new requirements regarding scholarship and financial aid programs for state universities, private nonprofit colleges or universities, and private for-profit career colleges that enroll students receiving OCOG awards.

Specifically, it prohibits those institutions from making any change to their scholarship or financial aid programs with the goal or net effect of shifting the cost burden of the programs to OCOG. It also requires them to provide at least the same level of needs-based financial aid to their students as in the immediately prior academic year, on either an aggregate or per student basis. Even so, the bill authorizes the Chancellor to grant a temporary waiver from that requirement if the Chancellor determines exceptional circumstances make it necessary. The Chancellor must determine the waiver's terms.

Miscellaneous

The bill eliminates the prohibition against an OCOG award exceeding the state cost of attendance. Instead, it prohibits an award exceeding an individual student's cost of attendance. For a further discussion of the state cost of attendance prohibition, see the LSC Ohio College Opportunity Grant: Q&A Members Brief linked above.

The bill also authorizes the use of a measure of student financial need established under federal law that is different from EFC to determine student eligibility. According to a U.S. Department of Education press release, EFC is being replaced by a new measure of student financial need, the student aid index.³⁷

³⁷ See [Beginning Phase Implementation of the FAFSA Simplification Act](#), which is also available at the U.S. Department of Education's Federal Student Aid website: fsa.partners.ed.gov.

Second Chance Grant Program

(R.C. 3333.127)

The bill makes changes to the Second Chance Grant Program. It increases the award amount and frequency, under specified conditions, expands eligibility, and makes other changes.

First, the bill increases the award amount for the Second Chance Grant Program from \$2,000 to \$3,000. Second, it increases the frequency of grant awards from one-time to each academic year until the student completes their degree. A student may receive the subsequent awards if the Chancellor, in consultation with the institution of higher education, determines that subsequent awards beyond the first are an essential element of student success and degree completion.

The bill further expands eligibility to students who enroll in a qualifying institution within ten, rather than five, years of disenrollment. Thus, a person who has been disenrolled for a longer period of time may qualify for the award.

Finally, to qualify for the grant, a student must have been disenrolled for at least two semesters. The bill designates eight months of disenrollment as the metric for institutions that do not operate on a semester calendar.

Background

The Second Chance Grant Program was established in 2022 by S.B. 135 of the 134th General Assembly. Under the program, the Chancellor must award a one-time grant of up to \$2,000 to students who previously had disenrolled from higher education. To be approved, a student must enroll in a qualifying Ohio institution and have a remaining cost of attendance, as defined under federal law, after all other financial aid has been applied to the applicant's account.

A student is eligible for the program if the student:

1. Is an Ohio resident;
2. Has not attained a bachelor's degree;
3. Disenrolled from a qualifying institution, while being in good standing including with respect to academics and the student's disciplinary record, and did not transfer to a "qualifying institution" or an institution of higher education in another state in the two semesters immediately following disenrollment;
4. Enrolls in a "qualifying institution" within five years of disenrollment;
5. Is not enrolled in the College Credit Plus Program; and
6. Meets any other eligibility criteria determined necessary by the Chancellor.

War Orphans and Severely Disabled Veterans scholarship

(R.C. 5910.01)

The bill disqualifies the children of World War I veterans from receiving a War Orphans and Severely Disabled Veterans' Children Scholarship.

A child is eligible for the War Orphans and Severely Disabled Veterans' Children Scholarship if the child's parent is deceased or disabled veteran and the child: (1) is between the ages of 16 and 25, (2) at the time of applying for the scholarship, is a child of a "veteran," as defined for purposes of the scholarship, who entered the armed forces as either (a) a legal resident of Ohio who resided in the state for the last preceding year or (b) not as a legal resident of Ohio and having resided in Ohio for the year preceding the year the scholarship application is made, in addition to any other four of the last ten years, and (3) is in financial need, as determined by the Ohio War Orphans and Severely Disabled Veterans' Children Scholarship Board.³⁸

Veterans' tuition waiver

(R.C. 3333.26)

The bill disqualifies World War I veterans from receiving a tuition waiver from any state-supported school, college, or university and instead qualifies World War II veterans for the waivers. The bill does this by changing the time period of eligibility from veterans who served between April 6, 1917, and November 11, 1918, to veterans who served between September 1, 1939, and September 2, 1945.

In addition to having served during that period, to qualify for the tuition waiver, a veteran must be a citizen of Ohio who has resided within the state for at least one year, who was in the active service of the United States as a soldier, sailor, nurse, or marine, and who has been honorably discharged from that service. The waiver requires that the veteran be admitted to any school, college, or university that receives state funding without being required to pay any tuition or matriculation fees. The waiver does not exempt the veteran from paying laboratory or similar fees.

Mentor Scholarship Program

(R.C. 3333.129)

Purpose

The bill requires the Chancellor to establish and, with the assistance of approved community-based organizations, administer the Mentorship Scholarship Program (MSP). Community-based organizations participating in MSP must establish mentorship programs to provide mentors and specified supports to participating mentees. In turn, participating mentees may qualify for and receive a scholarship if they enroll in any of the following qualifying institutions:

1. A state institution of higher education;
2. A private nonprofit college or university;
3. DeVry University; or
4. An Ohio technical center.

³⁸ R.C. 5910.03, not in the bill.

To the extent practicable, the Chancellor and the community-based organizations must ensure that individuals in every county in the state are able to participate as mentees in MSP.

Chancellor's oversight of community-based organizations

The bill requires the Chancellor to establish a process to select at least five tax exempt, 501(c)(3) charitable organizations to participate in MSP as a community-based organization. The process must ensure that the northeast, northwest, southwest, southeast, and central regions of the state each have at least one organization operating in it.

The Chancellor must monitor each community-based organization's compliance with its responsibilities in MSP. If the Chancellor determines an organization is noncompliant, the Chancellor may remove it from MSP.

Community-based organization general responsibilities

A community-based organization must assist the Chancellor in administering and supporting MSP. To that end, an organization must establish partnerships with local stakeholders to increase MSP's capacity to provide effective mentoring and supports in any county in each region in which the organization operates.

Each community-based organization must establish and operate a mentorship program that meets requirements established in the bill (see below). The organization must recruit individuals to serve as mentors and mentees in the program. To identify mentees for recruitment, the organization must work with public and nonpublic schools that offer any of grades 6 to 12, other community organizations, and similar entities.

Mentorship programs

Application requirements

A community-based organization must require an individual to apply to be a mentee or mentor in a form and manner prescribed by the Chancellor, in consultation with the community-based organizations. The application form must be designed to assist community-based organizations in matching appropriate mentees and mentors. An individual may apply directly to participate using an internet-based application. To the extent practicable, an organization must approve each eligible applicant as a mentee or mentor.

Mentees

To receive approval to participate as a mentee, an individual must sign a mentorship contract that enumerates the program's expectations. Each mentee is responsible for actively participating in regular contact with the mentee's assigned mentor, as prescribed by the community-based organization in consultation with the Chancellor.

A community-based organization must provide each participating mentee with:

1. Individualized support from the mentee's mentor throughout the program;
2. Networking opportunities with other students, mentors, and professionals from across the state;
3. Academic, college, and career advice and support; and

4. Any other benefits the organization determines appropriate.

Mentors

A community-based organization must approve an applicant to be a mentor if that applicant:

1. Is at least 18 years old;
2. Passes a criminal records check;
3. Completes a training program prescribed by the organization, which must include training on appropriate mentor-mentee boundaries; and
4. Agrees to operate within the confines of appropriate mentor-mentee boundaries.

In addition, each community-based organization must perform an annual criminal records check for each participating mentor and require them to complete professional development training prescribed by the organization. An organization also must determine whether to provide a stipend to participating mentors. Finally, an organization may assign up to three mentees to each mentor.

Scholarships

Eligibility

The bill qualifies for an MSP scholarship an individual who:

1. Is an Ohio resident;
2. Has received a high school diploma or a certificate of high school equivalence;
3. Has actively participated in a mentorship through the program for at least one year;
4. Has completed the Free Application for Federal Student Aid (FAFSA); and
5. Has enrolled in a qualifying institution for at least six hours in a semester or the equivalent number of credit hours for a quarter or clock hours for a program for which credit is not awarded.

Chancellor's administrative responsibilities

An eligible individual must apply for a scholarship in a form and manner prescribed by the Chancellor, in consultation with the community-based organizations. The Chancellor must approve the application of an eligible applicant and award the applicant a first-time scholarship of \$2,500 for the academic year in which the individual applied.

Each scholarship recipient may apply to renew that scholarship for each academic year in which the recipient is enrolled in a qualifying institution. The Chancellor must award an additional scholarship of \$2,500 to each recipient who is still an Ohio resident, who completes the FAFSA, who is still enrolled in the minimum number of credits or hours, and who meets any other criteria determined by the Chancellor.

However, the total number of years the recipient may receive a scholarship cannot exceed the number of years the individual participate in an MSP mentorship program in high

school. In addition, the bill prohibits any recipient receiving a scholarship for more than four academic years.

If funds available to support the MSP are inadequate to award a full scholarship to each eligible individual, the Chancellor may prorate scholarship amounts or establish a method to determine which individuals receive scholarships.

The Chancellor must pay each scholarship to the qualifying institution in which a scholarship recipient is enrolled. The institution must apply the scholarship to the recipient's cost of attendance, or the recipient's general and instructional fees if the institution does not have a published cost of attendance, after all other financial aid for which the recipient qualifies has been exhausted. The institution must return to the Chancellor any scholarship amount remaining after a recipient graduates or disenrolls from the institution.

Delegation of Chancellor's responsibilities

The bill authorizes the Chancellor to delegate administrative responsibilities related to the scholarship to the community-based organizations. This can include the payment of scholarships. If the Chancellor chooses to delegate all administrative responsibilities, including payments, the Chancellor must transfer funds to the organizations for administering and paying scholarships. However, any funds returned by a qualifying institution must be returned to the Chancellor and not a community-based organization.

On the other hand, if the Chancellor delegates administrative responsibilities regarding scholarships, excluding scholarship payments, the Chancellor must transfer funds to the organizations for use in administering the delegated responsibilities. The organizations must certify to the Chancellor any information necessary for the Chancellor to make scholarship payments.

Mentorship Scholarship Fund

The bill establishes the Mentorship Scholarship Fund in the state treasury. The fund must consist of the amounts designated for the fund's purposes by the General Assembly, the federal government, or other sources, as well as refunds of MSP payments disbursed by the Chancellor. The Chancellor must administer the fund. Revenues credited to the funds must be used by the Chancellor to support MSP, including establishing and administering mentorship programs and funding scholarships.

Governor's Merit Scholarship

(Section 381.400)

The bill establishes the Governor's Merit Scholarship Program (GMS) to award merit-based aid to eligible students at qualifying institutions with the goal of allowing high-achieving high school graduates to remain in Ohio to pursue their postsecondary studies and contribute to Ohio's expanding economic opportunities. Qualifying institutions include any state institution of higher education or any private nonprofit college or university in Ohio.

To the extent that sufficient funds are available, the Chancellor must provide a \$5,000 per academic year scholarship to eligible students in the top 5% of their public or chartered nonpublic

high school graduating class, as determined by the Chancellor in consultation with the Superintendent of Public Instruction. Eligible students may receive the scholarship for up to the equivalent of four academic years of instruction at a qualifying institution, contingent on satisfactory academic progress.

The Chancellor, in consultation with the state Superintendent, also must determine merit-based eligibility criteria for students who were home schooled to provide them with a similar level of access to GMS.

A GMS must be used to pay eligible expenses, as determined by the Chancellor, included within a qualifying institution's published cost of attendance.

The bill prohibits a qualifying institution from changing its scholarship or financial aid programs with the goal or net effect of shifting the cost burden of those programs to GMS. Institutions enrolling GMS recipients must maintain the same level of merit-based financial aid they offered in the most recent academic year, either in terms of aggregate aid or on a per-student basis.

The Chancellor must establish guidelines to implement the GMS.

Office of Computer Science Education

(R.C. 3333.96)

The bill creates the Office of Computer Science Education and tasks the Chancellor with selecting a director and staff for it. The Office must serve as a center for all computer science education-related matters in Ohio. It must focus on expanding access to school districts and schools, providing expertise, assisting with current and future programming, and other related functions as determined by the Chancellor. The Office may contract with consultants and other educational entities to support school districts and schools.

In addition, the bill requires the Office to:

1. Work with and assist institutions of higher education to integrate computer science standards and curriculum into a preservice teacher preparation program;
2. Create a plan, in consultation with stakeholders, for teaching computer science to provide individualized support to districts and schools in creating computer science courses, which includes project- and work-based learning, course sequencing, computer science teaching basics, and other topics determined by the Chancellor; and
3. Consult with the state Superintendent on computer science education-related matters.

Teach CS Grant Program

(R.C. 3333.97)

The bill requires the Office of Computer Science Education to create and administer the "Teach CS" Grant Program to fund coursework, materials, and exams to support (1) existing teachers who qualify to teach computer science through supplemental licenses, endorsements, and continuing education, and (2) individuals who complete the alternative resident educator

license. The bill expressly permits the Office to consult with the State Superintendent when implementing the program.

Ohio Computer Science Promise Program

(R.C. 3322.20, 3322.21, and 3322.24; conforming changes in R.C. 3314.03 and 3326.11)

The bill establishes the Ohio Computer Science Promise Program. Beginning with the 2024-2025 school year, under the program, an Ohio student in any of grades 7-12 may enroll in one computer science course per school year that is not offered by the student's school. Students cannot be charged for tuition, textbooks, or other fees related to participating in the program.

Any eligible student enrolled in a public secondary school or participating nonpublic secondary school may participate. To participate, a student must be accepted into an eligible course offered by an approved provider. The Department of Education, in consultation with the Office of Computer Science Education, must approve eligible courses and providers. The Department also must publish a list of providers and courses annually.

However, the availability of courses is limited by the funding administered by the Office, with the assistance of the Department. The Office may determine how funding is prioritized to address situations in which funding is expected to be exhausted.

The Chancellor, in consultation with the state Superintendent, must adopt rules governing the program. But, in a separate provision enacted in the bill, the Ohio Computer Science Council (see below) is authorized to adopt rules for the administration of the program. Finally, the bill requires the Office to determine rules regarding payment rates, processes, terms, and schedules for approved providers. In establishing payment rates, the Office may consider the rates provided under the College Credit Plus Program (CCP) or other rates determined by the Chancellor.

The bill requires the Department to work with the Chancellor and the Office to calculate and make payments to approved providers for approved courses. It also permits the Office to reimburse or otherwise arrange for payments to help defray costs for enrollment in CCP courses and courses offered for high school credit by an approved provider.

High school credit

Public and participating nonpublic schools must award high school credit toward graduation and subject area requirements for successful completion of program courses. If a completed course offered by an approved provider is comparable to one offered by the school, the school must award comparable credit. If no comparable course is available, the school must grant an appropriate number of elective credits. Evidence of completion of each course and the number of credits awarded must be indicated on the student's record with a designation that they were earned through the program and the name of the approved provider.

The bill creates an appeals process for disputes regarding the credits granted for approved courses. The Department makes the final decision regarding any appeal.

“Computer science” defined

Under the bill, “computer science” includes logical reasoning computing systems, networks and the internet, data and data analysis, algorithms and programming, impacts of computing, web development, and structured problem solving skills related to these disciplines. A similar definition for “computer science” that applies generally to education law.

Ohio Computer Science Council

(R.C. 3322.01, 3322.02, 3322.03, 3322.04, 3322.05, and 3322.06)

The bill creates the Ohio Computer Science Council to foster and encourage increased participation in computer science education across all counties through afterschool programs, summer camps, and other educational enrichment partnerships.

Council members – terms of office

The Council consists of:

1. Eleven voting members appointed by the Governor, with the advice and consent of the Senate;
2. Two nonvoting members of the House, who cannot be from the same political party, appointed by the Speaker of the House; and
3. Two nonvoting members of the Senate, who cannot be from the same political party, appointed by the Senate President.

Voting members will serve five-year terms beginning on July 2 and ending on July 1. They must continue in office after the expiration of the member’s term until the successor takes office, or until a 60-day period has elapsed, whichever occurs first. Nonvoting members must be appointed within ten days of the first regular session of each General Assembly and must serve through December 31 of the following year.

The Governor selects the Council’s chair and vice-chair. Council members serve without compensation, but may be reimbursed for expenses incurred in connection with the official business. The Council must meet at least once per year; however, Council members may not receive expenses for attendance at more than four meetings each year.

Members appointed by the Governor must have broad knowledge and experience in computer science, business, primary education, secondary education, or postsecondary education.

The Office of Computer Science Education must provide staff and other administrative services for the Council.

Council powers and duties

The Council must:

1. Survey the computer science educational resources and needs of the state;
2. Develop a plan for and fund grants for afterschool, summer, and related enrichment programs; and

3. Create and maintain records on the distribution of funds awarded through the Council.

The Council may:

1. Award and administer grants for afterschool, summer, and other enrichment programs that support the objectives of the Council using appropriated state funds;

2. Receive and administer federal funds for purposes compatible with the mission of the Council and Computer Science Promise Program;

3. Establish advisory committees to assist in the performance of its functions;

4. Contract with consultants to facilitate its work;

5. Adopt rules necessary for administration of its programs and the Ohio Computer Science Promise Program; and

6. Accept and administer any gifts, donations, or bequests made to it for the encouragement and development of its programs.

Ohio Computer Science Council Gifts and Donations Fund

The bill establishes the Ohio Computer Science Council Gifts and Donations Fund in the state treasury. The fund will consist of gifts, donations, and fees paid for conferences the Council sponsors. The fund may be used to pay for the Council's operating expenses. All moneys must be spent pursuant to the Council's duty to foster and encouraged increased participation in computer science education across all counties through afterschool programs, summer camps, and other educational enrichment partnerships.

Public service program and curriculum

(R.C. 3333.0419)

The bill requires state institutions of higher education and private nonprofit institutions of higher education to develop a program and curriculum to prepare students enrolled in public or chartered nonpublic high schools interested in public service careers. The program and curriculum must align with rules adopted by the Chancellor.

Programs and curriculum must include the following courses:

1. Public service leadership;

2. Careers and communication;

3. Experiential learning;

4. Preapprenticeship and apprenticeship opportunities with local and state agencies. The bill requires the Chancellor to adopt rules governing the operation of the program.

The rules must include a procedure under which students who take courses established under the model program may earn both high school and college credit pursuant to the College Credit Plus Program (CCP). The Chancellor and the state Superintendent must collaborate to ensure that all reasonable steps are taken to utilize CCP to the extent practicable to make the model program and curriculum available to as many students as possible.

ApplyOhio

(R.C. 3333.302)

The bill establishes the Office of ApplyOhio within the Department of Higher Education to perform duties related to promoting access to an affordable postsecondary education. Specifically, ApplyOhio must:

1. Coordinate efforts to support Ohio residents in accessing a postsecondary education after high school, including at an ASPIRE program, Ohio technical center, state institution of higher education, or other institution or program;
2. Help lead efforts to increase Ohio's Free Application for Federal Student Aid (FAFSA) completion rate to increase college affordability;
3. Coordinate efforts to develop innovations that improve the postsecondary admissions process for Ohio residents;
4. Endeavor to coordinate statewide efforts to recruit Ohio residents who have some college credit, but no degree, to reenroll in a postsecondary institution or program;
5. Provide operational support for state institutions participating in programs and compacts that help Ohio residents with some college credit, but no degree, including the College Comeback Program;
6. Coordinate efforts to assist U.S. armed forces service members and veterans seeking a postsecondary education, including by attaining college credit for military training, experience, and coursework; and
7. Perform any other duty assigned by the Chancellor.

Direct Admissions Pilot Program

(R.C. 3333.302)

Purpose

The bill requires the Chancellor, in consultation with the state Superintendent, to establish the Direct Admissions Pilot Program. Under the pilot program, the Chancellor must determine whether high schools seniors in participating schools meet the admissions criteria for participating postsecondary institutions. The Chancellor then must notify participating seniors of the determination. The bill expressly prohibits requiring any student, school, or institution from participating in the pilot program.

Operation

To facilitate the pilot program, the Chancellor must establish a process that uses a student's academic record to determine whether the student meets the admissions requirements. To the extent practicable, and in accordance with applicable law, the Chancellor must use existing student information systems to automate the process. The Chancellor also must use information held by the student's school to minimize the need for a student to provide additional information.

The bill authorizes the Chancellor to establish eligibility requirements for students, schools, and postsecondary institutions who elect to participate in the pilot program. The Chancellor also may consult with stakeholders and form advisory councils as necessary to design and operate the pilot program.

The Chancellor must “endeavor” to implement the pilot program so students graduating in the 2024-2025 school year may participate in it. Conversely, the bill also authorizes the Chancellor to terminate the pilot program if it is impracticable to operate.

Participating schools and institutions

The bill permits any school district, community school, STEM school, or chartered nonpublic school to apply to participate in the pilot program. Similarly, any state institution of higher education, private nonprofit college or university, or Ohio technical center may apply to participate. The Chancellor must approve the application of any school or institution that meets any eligibility requirements established by the Chancellor.

The governing body of a participating district or school may adopt a policy authorizing any high school it operates to participate in the pilot program. Within 90 days of adopting a policy, the governing body must transmit it to the Chancellor and the state Superintendent. The governing body also must develop a procedure to determine whether a student who wants to participate in the pilot program meets any eligibility requirements established by the Chancellor.

Report

The Chancellor, in consultation with the state Superintendent, must issue a report on the pilot program at least once each school year by a date set by the Chancellor. The report must include information about the number of students who participate in the program. It also must evaluate, to the extent practicable, the impact of the pilot program on postsecondary outcomes for students from populations traditionally underserved in higher education. The Chancellor must submit the report to the Governor, the Senate President, and the Speaker of the House.

State institution policies and rules

College transcripts

(R.C. 3345.027)

The bill requires the board of trustees of each state institution of higher education to adopt a resolution by December 1, 2023, determining whether to end the practice of transcript withholding. The board must submit a copy of the resolution to the Chancellor. When adopting the resolution, each board must consider and evaluate all of the following factors:

1. The extent to which ending the practice will promote the state’s postsecondary education attainment and workforce goals;
2. The rate of collection on overdue balances resulting from the historical practice of transcript withholding, as documented by the Attorney General;
3. The extent to which ending the practice will help students who disenroll from the state institution complete an education at the same or a different state institution.

If the board resolves to maintain transcript withholding, the board must include a summary of its evaluation of the required factors.

Finally, the Chancellor must provide a copy of each resolution to the Governor, the Speaker of the House, and the Senate President by January 1, 2024.

Current law prohibits state institutions from withholding a student's official transcripts from a potential employer because the student owes money to the institution, provided the student has authorized the transcripts to be sent to the employer and the employer affirms to the institution that the transcripts are a prerequisite of employment, but has no other prohibitions against state institutions withholding transcripts.

Administrative rules

(R.C. 3345.033 and 111.15; Section 701.20; conforming changes in R.C. 124.14, 1506.01, 1521.01, 3345.033, 3345.14, 3345.57, 3345.69, and 3798.12)

The bill exempts a state institution of higher education from complying with the administrative rule adoption procedures of the Administrative Procedure Act (APA) (R.C. Chapter 119) or R.C. 111.15, unless the law requiring or permitting rule adoption requires the institution to use one of the procedures. Currently, a state institution of higher education adopts administrative rules through the R.C. 111.15 rulemaking procedure (the APA requires notice and a hearing before adopting proposed rules; R.C. 111.15 does not).

Continuing law exempts a state institution of higher education's rules from review by, or a recommendation of invalidation from, the Joint Committee on Agency Rule Review (JCARR). Continuing law also requires an institution of higher education to post an adopted rule to its official website. The institution may not rely on a rule that is not officially posted.

The bill directs the LSC Director to remove from the electronic Administrative Code any rule adopted by an institution and posted to its website before the provision's effective date.

Teacher preparatory programs

(R.C. 3333.048)

The bill requires metrics and educator preparation programs, established under current law, to ensure that all educators complete coursework in evidence-based strategies for effective literacy instruction.

Under continuing law, the Chancellor jointly with the state Superintendent must establish metrics and preparation programs for educators and other school personnel and the higher education institutions that offer the programs. The Chancellor must, based on the metrics and preparation programs, approve institutions with preparation programs that maintain satisfactory training procedures and records of performance.

College Credit Plus Program

(Section 381.720)

The bill permits the Chancellor, in consultation with the Superintendent of Public Instruction, to take action as necessary, to ensure that public colleges and universities and school

districts are fully engaging and participating in the College Credit Plus Program (CCP). These actions may include publicly displaying program participation data by district and institution.

For the “model pathways” required under continuing law, the bill requires the Chancellor and state Superintendent to work with public secondary schools and partnering public colleges and universities, as necessary, to encourage the establishment of model pathways that prepare participants to successfully enter the workforce in certain fields – which may include any of the following:

1. Engineering technology and other fields essential to the superconductor industry;
2. Nursing, with particular emphasis on models that facilitate a participant’s potential progression through different levels of nursing;
3. Teaching and other related education professions;
4. Social and behavioral or mental health professions;
5. Law enforcement or corrections; and
6. Other fields as determined appropriate by the Chancellor and state Superintendent, in consultation with the Governor’s Office of Workforce and Transformation.

Under current law, each public secondary school, in consultation with at least one public partnering college, is required to develop two model pathways for courses offered under CCP. One model pathway must be a 15-credit hour pathway and one must be a 30-credit hour pathway. Pathways may be organized by desired major or career path and may include various core courses required for a degree or professional certification by the college. Current law does not prescribe specific professional fields for model pathways.³⁹

Obsolete reports and programs

Ohio Instructional Grant Program

(Repealed R.C. 3333.12; conforming changes in R.C. 3315.37, 3332.092, 3333.04, 3333.044, 3333.28, 3333.375, 3333.38, 3345.32, and 5107.58)

The bill abolishes the Ohio Instructional Grant Program (OIG).

OIG paid grants to full-time Ohio resident students pursuing an undergraduate degree at a public, private nonprofit, or private for-profit institution of higher education in Ohio. In 2005, H.B. 66 of the 126th General Assembly phased out OIG and established the Ohio College Opportunity Grant Program (OCOG) to replace it. OIG was last funded in FY 2009.

OhioCorps

(Repealed R.C. 3333.80, 3333.801, and 3333.802)

The bill abolishes the OhioCorps Pilot Program.

³⁹ R.C. 3365.13, not in the bill.

Enacted in 2018, OhioCorps was designed to guide at-risk high school and middle school students toward higher education through mentorship programs, operated by state institutions of higher education in the 2019-2020 and 2020-2021 school years, and future \$1,000 college scholarships upon meeting specified criteria.

In 2021, H.B. 110 of the 134th General Assembly prohibited the addition of new students to OhioCorp after the 2020-2021 academic year and terminated its operation at the end of the 2021-2022 academic year. Each student otherwise eligible to receive a scholarship under OhioCorps instead received a \$1,000 payment.⁴⁰

Statewide plan on college credit for career-tech courses

(Repealed R.C. 3333.167)

The bill eliminates a requirement for the Chancellor to develop and, if appropriate, implement a statewide plan permitting high school students to receive college credit for approved career-technical education courses. The Chancellor was required to submit the completed plan to the Governor, the President and Minority Leader of the Senate, and the Speaker and Minority Leader of the House by July 31, 2020.⁴¹

The Chancellor submitted the completed plan in a report on July 31, 2020. As is explained in the report, the Career-Technical Credit Transcript workgroup determined that the plan would not be implemented because the “Higher Learning Commission regulations make the transcription of CTPD coursework in a manner comparable to CCP not viable.”⁴²

College credit transfer study

(R.C. 3333.16)

The bill eliminates the requirement that the Ohio Articulation and Transfer Network Oversight Board issue a report to the General Assembly by March 2, 2022, regarding college credit transfer rules for state institutions of higher education, as the deadline for the report has passed.

The Board was established by the Chancellor to study current rules regarding the transfer of college credit between state institutions of higher education. It was required to submit to the General Assembly by March 2, 2022, a report including the findings of the study, as well as any recommendations regarding changes to the rules.

⁴⁰ Section 381.460 of H.B. 110 of the 134th General Assembly.

⁴¹ Section 17 of H.B. 197 of the 133rd General Assembly, not in the bill.

⁴² See the Ohio Department of Higher Education [Career-Technical Credit Transcript Workgroup Report \(PDF\)](#), also accessible on the Legislative Service Commission’s website: lsc.ohio.gov.

OFFICE OF INSPECTOR GENERAL

Inspector General or Deputy Inspector General as a peace officer

- Provides that the Inspector General or a deputy Inspector General may not receive an original appointment on a permanent basis unless the person has received a certificate from the Ohio Peace Officer Training Commission attesting to the person's satisfactory completion of an approved peace officer basic training program.
- Grants the Inspector General or a deputy Inspector General the same arrest authority as a peace officer while engaged in the scope of the Inspector General's or a deputy Inspector General's duties.
- Grants the Inspector General or a deputy Inspector General the power and authority of a peace officer.
- Adds the Inspector General or a deputy Inspector General to the definition of "peace officer" while engaged in the scope of the Inspector General's or a deputy Inspector General's duties.

Deputy inspector general qualifications

- Expands the qualifications for appointment as Inspector General or deputy inspector general to include individuals with at least five years of experience as a deputy inspector general in Ohio or any other state.

Inspector General or Deputy Inspector General as a peace officer Peace officer basic training program

(R.C. 109.77 and 121.483)

The bill provides that the Inspector General or a deputy Inspector General may not receive an original appointment on a permanent basis unless the Inspector General or a deputy Inspector General has been awarded a certificate by the Executive Director of the Ohio Peace Officer Training Commission attesting to the person's satisfactory completion of an approved state, county, municipal, or Department of Natural Resources peace officer basic training program.

Arrest authority

(R.C. 121.483)

The bill grants the Inspector General or a deputy Inspector General described above the same arrest authority as a peace officer. The Inspector General or a deputy Inspector General may exercise this arrest authority only while engaged in the scope of the Inspector General's or a deputy Inspector General's duties.

Definition of peace officer

(R.C. 109.71 and 2935.01)

The bill adds the Inspector General or a deputy Inspector General to the definition of “peace officer” while engaged in the scope of the Inspector General’s or deputy Inspector General’s duties. This inclusion grants the Inspector General or a deputy Inspector General the power and authority of a peace officer.

Deputy inspector general qualifications

(R.C. 121.49)

The bill expands the qualifications to become Inspector General or a deputy inspector general in Ohio. It permits an individual with at least five years of experience as a deputy inspector general in Ohio or another state to become Inspector General, and permits an individual with at least five years of experience as a deputy inspector general in another state to become a deputy inspector general in Ohio. Current law requires deputy inspector generals of transportation and workers compensation to meet the same qualifications as the Inspector General.⁴³

Under continuing law, the Governor appoints, with the advice and consent of the Senate, the Inspector General every four years.⁴⁴ An individual is eligible to be appointed if the individual meets one or more of the following qualifications: at least five years’ experience as a law enforcement officer in Ohio or any other state, admission to the bar of Ohio or any other state, certification as a certified public accountant in Ohio or any other state, or at least five years’ service as the comptroller or similar officer of a public or private entity in Ohio or any other state.

⁴³ See R. C. 121.51 and 121.52, neither in the bill.

⁴⁴ See R.C. 121.48, not in the bill.

DEPARTMENT OF INSURANCE

- Abolishes the Superintendent's Examination Fund and the Captive Insurance Regulation and Supervision Fund and transfers the activities of these funds to the Department of Insurance Operating Fund.

Fees for insurer examinations

(R.C. 1739.10, 1751.34, 1761.16, 3901.021, 3901.07, 3901.071, 3919.19, 3921.28, 3930.13, 3931.08, 3964.03, 3964.13, and 3964.15)

Existing law, unchanged by the bill, requires the Superintendent of Insurance to conduct financial examinations of insurance companies at least once every five years. The Department of Insurance monitors the financial solvency of insurance companies by reviewing financial statements and other records, and by conducting regular onsite examinations. Existing law, changed in part by the bill, requires the Department's expenses from conducting an examination of a company to be paid by the insurance company to the Superintendent of Insurance and deposited into the Superintendent's Examination Fund.

The bill eliminates the Superintendent's Examination Fund and instead requires the assessments to be paid to the Department of Insurance Operating Fund.

The bill also eliminates the Captive Insurance Regulation and Supervision Fund, which is used by the Superintendent for expenses related to the oversight of captive insurers. The bill requires the license fees and other fees paid to the fund under existing law to instead be redirected to the Department of Insurance Operating Fund.

DEPARTMENT OF JOB AND FAMILY SERVICES

CHILD WELFARE

Continuous ODJFS licensure

- Eliminates renewal requirements for ODJFS licenses for institutions, associations, foster caregivers, and private nonprofit therapeutic wilderness camps, resulting in continuous licensure unless revoked.

Background checks

- Requires the ODJFS Director, rather than an agency director or association or institution as in current law, to request background checks for adoptive parents working with an adoption agency, foster caregivers, and association or institution employees or appointees.
- Recodifies, but (except as noted above) largely maintains the substance of, laws governing background checks for those individuals.
- Adds and removes offenses that Bureau of Criminal Identification and Investigation (BCII) Superintendent must check for on receipt of a request for a criminal records check from the ODJFS Director, a qualified organization that arranges temporary child housing, an attorney who arranges adoptions, or the appointing or hiring officer of an out-of-home care entity that is not an association or institution.

Electronic reporting of child abuse or neglect

- Allows an individual to make a report of child abuse or neglect to a public children services agency (PCSA) or peace officer electronically, in addition to the existing law options of making a report by telephone or in person.

Referrals for prevention services

- Requires a PCSA to make a referral to an agency providing prevention services if the PCSA determines that the child is a candidate for those services.
- Allows a PCSA to disclose confidential information discovered during an investigation to an agency providing prevention services.
- Requires a PCSA to enter into a contract with an agency providing prevention services.

Child abuse or neglect report disposition appeal and registry

- Requires a PCSA that investigated a report of child abuse or neglect to give the alleged perpetrator written notification of the investigation's disposition and of the person's right to appeal the disposition.
- Requires ODJFS to adopt rules to implement the above requirement, including the stages at which the PCSA must provide notification, the method for appeal, time limits for appeal and response, and sanctions.

- Requires, when a person requests ODJFS to conduct a search of whether that person's name is in the alleged perpetrator registry in the Statewide Automated Child Welfare Information System (SACWIS), that ODJFS send a letter to the person indicating that a "match" exists if a search reveals a "substantiated" disposition.
- Requires ODJFS to expunge "substantiated" dispositions of abuse or neglect from the alleged perpetrator registry in SACWIS after ten years.

Definition of "abused child"

- Expands the definition of "abused child" by adding a child who is the victim of disseminating, obtaining, or displaying materials or performances that are harmful to juveniles if the activity would constitute a criminal sexual offense.
- Modifies the definition of "abused child" by stating that if a child exhibits evidence of physical disciplinary measures by a "caretaker" the child is not an abused child if the measure is not prohibited under the offense of endangering children.
- Modifies the definition of "abused child" by including a child who because of the acts of the child's "caretaker" suffers physical or mental injury that harms or threatens the child's health or welfare.

Records of former foster children

- Requires a PCSA to allow an adult who was formerly placed in foster care to inspect records pertaining to the time in foster care upon request.
- Allows the PCSA's executive director or the director's designee to redact information that is specific to other individuals if that information does not directly pertain to the adult.

Ohio Child Welfare Training Program (OCWTP) changes

- Eliminates the requirements that PCSA caseworkers and PCSA caseworker supervisors complete a specified number of hours of in-service training during the first year of employment and domestic violence training during the first two years of employment.
- Eliminates the requirements that ODJFS establish eight child welfare training regions in Ohio and that each region contain only one training center, but maintains the requirement that ODJFS designate and review training regions.
- Repeals and recodifies various provisions governing the OCWTP.

Family and Children First Cabinet Council

County councils

- Removes enumerated focuses for the indicators and priorities that measure progress towards increasing child well-being in Ohio.
- Expands the types of council contracts that are exempt from competitive bidding requirements.

- Clarifies that a council's role in service coordination does not override the decisions of a PCSA regarding child placement.

Ohio Automated Service Coordination Information System

- Requires the Cabinet Council state office to establish and maintain the Ohio Automated Service Coordination Information System (OASCIS).
- Requires county councils to enter all information in OASCIS regarding funding sources and families seeking services from the county councils, and specifies that failure to do so may result in the loss of state funding.
- Establishes that all information in OASCIS is confidential, and requires county councils to establish administrative penalties for inappropriate access, disclosure, and use of information.
- Limits OASCIS access to personnel with training in confidentiality requirements and prohibits researchers from directly accessing it.

Substitute care provider licensing rules

- Repeals a law that established an office to review rules for licensing substitute care providers to minimize differing certification and licensing requirements across various agencies.

Wellness Block Grant Program

- Repeals the Wellness Block Grant Program, an obsolete program formerly overseen by the Ohio Family and Children First Cabinet Council.

Children's Trust Fund Board

Membership

- Specifies that a public board member of the Children's Trust Fund Board may serve two consecutive terms after serving the remainder of a term for which the member was appointed to fill a vacancy.
- Changes the number of Board members required to be present to have a quorum from eight to a majority of the members appointed to the Board.

Acceptance of federal funds

- Eliminates a requirement that the Board's acceptance of federal or other funds must not require the state to commit funds.

Children's advocacy centers

- Eliminates the annual report submitted to the Board by each children's advocacy center that receives funds from the Board.
- Removes a requirement that the Board develop and maintain a list of all state and federal funding that may be available to children's advocacy centers.

Child abuse and child neglect regional prevention councils

- Adds parent advocates to the list of county prevention specialists who may be appointed to a child abuse and child neglect regional prevention council.
- Removes from each child abuse and child neglect regional prevention council a nonvoting member who is a representative of each council's regional prevention coordinator.
- Requires each council's regional prevention coordinator to select a council chairperson from among the county prevention specialists serving on the council.
- Requires members to elect a vice-chairperson at the first regular meeting of each year.
- Requires the chairperson to either preside over council meetings or call upon the vice-chairperson to do so.
- Specifies that the vice-chairperson functions as the chairperson and becomes a nonvoting member when presiding over council meetings.

Removal of Kinship Support state hearing rights

- Removes the requirement for a state hearing when ODJFS denies or terminates Kinship Support Payments.

Kinship Guardianship Assistance Program

- Regarding the Ohio Kinship Guardianship Assistance Program (KGAP), designates ODJFS the responsible party in entering into an agreement with a relative seeking assistance, instead of a PCSA as under current law.
- Requires the PCSA that had custody of the child before the court granted legal custody or guardianship to a relative to make specific eligibility determinations and authorizes the PCSA to make other eligibility determinations.
- Changes the frequency of review for a child's continuing need for services under the State Adoption Maintenance Subsidy Program and KGAP from annually to a frequency determined by ODJFS.

State Adoption Assistance Loan Fund

- Repeals the law governing administration of adoption assistance loans from the State Adoption Assistance Loan Fund.

Interstate Compact for the Placement of Children

- Conforms the current Interstate Compact for the Placement of Children (ICPC) governing interstate placement of abused, neglected, dependent, delinquent, or unmanageable children and children for possible adoption with the proposed new ICPC that makes changes primarily to jurisdiction and placement requirements.

Multi-system youth action plan

- Repeals a requirement for the Ohio Family and Children First Council to develop a comprehensive multi-system youth action plan, to be submitted to the General Assembly (the Council submitted the plan in January 2020).

CHILD CARE

Publicly funded child care – reimbursement rates

- Maintains the requirement that the ODJFS Director establish by rule in each odd-numbered year reimbursement rates for publicly funded child care providers, but also requires the Director to contract with a third-party entity to analyze child care price information for the subsequent even-numbered year.
- Authorizes the ODJFS Director, based on the information analyzed, to adjust provider reimbursement rates for the even-numbered year and requires adjustments to be made by rule.
- Authorizes a third-party entity under contract with the ODJFS Director, when analyzing child care price information, to consider the most recent market rate survey.

Child Care Advisory Council

- Increases the Council’s membership by adding three voting and three nonvoting members.
- Removes unlicensed type B home providers and parents of children receiving child care in those homes from a list of providers and parents included on the Council.
- Expands the Council’s duties to include advising the ODJFS Director about the approval of child day camps, publicly funded child care, and Step Up to Quality.

Child care terminology

- Changes terminology from “day-care” or “child day-care” to “child care.”

CHILD SUPPORT

Paternity acknowledgments

- Allows a child support enforcement agency (CSEA), a local registrar of vital statistics, and hospital staff the option to electronically file an acknowledgment of paternity, in addition to existing law options of filing the acknowledgment in person or by mail.
- Allows each signature of a party to an acknowledgment of paternity to be witnessed by two adult witnesses, in addition to the existing law option of notarizing each signature.
- Requires a CSEA or local registrar to provide witnesses to witness, or a notary public to notarize, an acknowledgment of paternity if the natural mother and alleged father sign an acknowledgment.

- Requires a contract between a hospital and ODJFS to include a provision requiring the hospital to provide witnesses to witness, or a notary public to notarize, an acknowledgment of paternity signed by the mother and father, when an unmarried woman gives birth in or en route to that hospital.
- Requires each hospital to provide staff to notarize or witness the signing of an acknowledgment of paternity.
- Eliminates statutory requirements for incorrectly completed acknowledgments of paternity received by ODJFS's Office of Child Support, and instead requires ODJFS to adopt rules on how to handle them, including a requirement that ODJFS provide a new form and a notice describing the errors to the parties.

Repeal information required for paternity determination

- Repeals law that requires certain information about the alleged father, the mother, and the child to be included in a request for an administrative determination of paternity.

Redirecting and issuing child support to nonparent caretakers

- Permits child support under existing child support orders to be redirected, and under new child support orders to be issued, to a nonparent caretaker who is the primary caregiver of a child.
- Allows a caretaker to file an application for Title IV-D services with the CSEA to obtain support for the care of the child.
- Requires the CSEA to investigate whether the child is the subject of an existing child support order, and if so, requires an investigation and certain determinations regarding support for the child.
- Establishes, if a CSEA determines that an existing support order should be redirected, requirements for notice, objection, and effective dates of redirection orders or recommendations.
- Requires, if no child support order exists, the CSEA to determine whether a child support order should be imposed.
- Establishes procedures that a CSEA must follow if it receives notice that a caretaker is no longer the primary caregiver of a child, including what to do in specified circumstances.
- Requires the impoundment of any funds received on behalf of a child pursuant to a child support order while the CSEA investigates whether a caretaker is no longer the primary caregiver of a child.
- Authorizes the ODJFS Director to adopt rules, exempt from the regulatory restriction reduction requirements under Ohio law, to implement the redirection process required by the bill.
- Amends several laws regarding the establishment of parentage and bringing an action for child support to permit caretakers to receive child support.

- Adds a statement that appears to attempt to clarify that a parent’s duty to support the parent’s minor child may be enforced by a child support order.
- Requires, if a child who is the subject of a child support order resides with a caretaker and neither parent is the residential parent and legal custodian of the child, the court to issue a child support order requiring each parent to pay that child’s child support obligation.
- Repeals language in the power of attorney form and caretaker authorization affidavit form regarding grandparents caring for their grandchildren that provides that the power of attorney or affidavit does not allow a CSEA to redirect child support payments to the grandparent.
- Adds redirection to a list of notices under existing law that must be included in each support order or modification.
- Repeals law that generally provides that when a support order is issued or modified, the court or CSEA may issue an order requiring payment to a third person that is agreed upon by the parents.
- Delays the effective date of these provisions for six months during which time ODJFS may take action to implement those provisions.

Fatherhood programs

- Codifies the authorization of the Ohio Commission on Fatherhood to recommend the ODJFS Director provide funding to fatherhood programs in Ohio that meet at least one of the four purposes of the Temporary Assistance for Needy Families block grant.

PUBLIC ASSISTANCE

TANF spending plan

- Extends the time that ODJFS has to submit a TANF spending plan to the General Assembly from 30 days to 60 days after the end of the first state fiscal year of the fiscal biennium (that is, from July 30 to August 29 of even-numbered years).

Ohio Works First

- Replaces “fugitive felon” with “fleeing felon,” in a provision identifying categories of individuals who are ineligible for Ohio Works First.
- Clarifies that workers’ compensation premiums for participants in the Ohio Works First Work Experience Program (WEP) only need to be paid for those participating in WEP.

SNAP and WIC benefit trafficking

- Prohibits Supplemental Nutrition Assistance Program (SNAP) benefit trafficking.
- Prohibits the solicitation of SNAP and WIC benefits by an individual.
- Prohibits organizations from allowing an employee to violate the above prohibitions.

Agreement with Ohio Association of Foodbanks

- Requires ODJFS to enter into an agreement with the Ohio Association of Foodbanks regarding food distribution, transportation of meals, and capacity building equipment for food pantries and soup kitchens.
- Requires the Association to purchase food, support capacity building, purchase equipment for partner agencies, and submit quarterly and annual reports to ODJFS.

Disclosure of public assistance recipient information

- Eliminates the general prohibition on a person using or permitting the use of public assistance recipients' information, and instead specifies that it is the responsibility of ODJFS and county departments of job and family services (CDJFSs) to keep that information confidential.
- Specifies that information that does not identify an individual may be released in summary, statistical, or aggregate form.
- Prohibits information regarding a public assistance recipient from being disclosed for solicitation of contributions or expenditures to or on behalf of a candidate for public office or a political party.
- Permits, instead of requires, ODJFS to share public assistance recipient information with public agencies for use in fulfilling their duties and with others for research purposes.
- Expands the list of entities with whom ODJFS may share such information.
- Expands ODJFS and county agency authority to release such information by permitting the release to anyone identified in writing by the recipient, instead of only to an authorized representative, a legal guardian, or the recipient's attorney.
- Permits, rather than requires, ODJFS, CDJFSs, and PCSAs to share information regarding public assistance recipients with law enforcement agencies.
- Eliminates the requirement that a request for information include sufficient information to specifically identify the recipient.
- Eliminates the immunity granted to ODJFS, CDJFSs, and PCSAs and their officers and employees for injury, death, or loss to person or property that results from releasing such information.
- Eliminates the requirement that ODJFS, CDJFSs, and PCSAs provide access to the State Auditor or other authorized government entities to conduct audits of public assistance programs.
- Clarifies that ODJFS, CDJFSs, and their employees are not prohibited from reporting any known or suspected child abuse or neglect, rather than only abuse or neglect of a child receiving public assistance.

ODJFS disclosure definitions

- Replaces the current term “fugitive felon” with the new term “fleeing felon” in law pertaining to public assistance, and modifies the definitions of “law enforcement agency” and “public assistance.”
- Repeals the requirement that the ODJFS Director adopt rules governing the custody, use, disclosure, and preservation of information related to the administration of public assistance programs.

UNEMPLOYMENT

Identity verification for unemployment benefits

- Requires an individual filing an application for determination of benefit rights for unemployment benefits to furnish proof of identity at the time of filing in the manner prescribed by the ODJFS Director.
- Requires the ODJFS Director to adopt rules to prescribe the manner in which an applicant must furnish proof of identity.

Benefit reductions based on receiving certain pay

- Reduces unemployment benefits otherwise payable by the full amount of holiday pay paid to a claimant for that week.
- Reduces unemployment benefits otherwise payable to a claimant who receives bonus pay by the amount of the claimant’s weekly benefit amount in the first and each succeeding week following separation from employment with the employer paying the bonus, until the total bonus amount is exhausted.

Disclosure of information

- Eliminates statutory exemptions from the prohibition on disclosure of information maintained by the ODJFS Director or the Unemployment Compensation Review Commission, and instead requires the Director to adopt rules to allow for these disclosures and additional disclosures that conform to federal law.

Participation in certain federal programs

- Specifies that a current law provision does not require the ODJFS Director to participate in, nor precludes the Director from ceasing to participate in, any voluntary, optional, special, or emergency program offered by the federal government to address exceptional unemployment conditions.

Acceptable collateral from certain reimbursing employers

- Makes surety bonds the only acceptable form of collateral that a nonprofit employer wishing to be a reimbursing employer under the Unemployment Compensation Law may submit.

OTHER PROVISIONS

Workforce report for horizontal well production

- Eliminates the requirement that the Office of Workforce Development prepare an annual workforce report for horizontal well production.

Office of the Migrant Agricultural Ombudsperson

- Eliminates the Office of the Migrant Agricultural Ombudsperson established under the authority of the ODJFS Director.
- Requires reports of violations regarding agricultural labor camps to be made to the State Monitor Advocate appointed under federal law, instead of the Migrant Agricultural Ombudsperson as under current law.

CHILD WELFARE

Continuous ODJFS licensure

(R.C. 5103.02, 5103.03, 5103.0313, 5103.0314, 5103.032, 5103.0322, 5103.0323, 5103.0326, 5103.033, and 5103.05)

The bill eliminates the requirement that ODJFS-certified institutions, associations, foster caregivers, and private nonprofit therapeutic wilderness camps renew their certificates and licenses every two years. Instead, licensure is continuous unless ODJFS revokes it for failure to meet continuing law requirements.

Under the bill, public children services agencies (PCSAs) and private child placing agencies (PCPAs) must provide ODJFS with evidence of an independent financial statement audit by a licensed public accounting firm no more than two years from the date of initial certification and at least every two years thereafter (rather than, as in current law, when seeking renewal of the certificate).

Background checks

(R.C. 109.572, 2151.86, 3107.033, 5103.25, and 5103.251 to 5103.259; conforming changes in numerous other R.C. sections; repealed R.C. 5103.037, 5103.0310, 5103.18, 5103.181, and 5103.51)

Under the bill, the ODJFS Director is required to (1) request the Bureau of Criminal Identification and Investigation (BCII) Superintendent to conduct a criminal records check, (2) search the Central Registry of Abuse and Neglect within the Uniform Statewide Automated Child Welfare Information System (SACWIS), and (3) inspect the Ohio Registry of Sex Offenders and Child Victim Offenders and the National Sex Offender Registry for all of the following:

- An administrator, president, officer, or member of a board of an ODJFS-certified association or institution;

- A prospective foster parent or an adult resident of the prospective foster parent's home, and a minor resident of the prospective adoptive parent's home once the minor turns 18;
- A prospective adoptive parent or an adult resident of the prospective adoptive parent's home, and a minor resident of the prospective adoptive parent's home once the minor turns 18;
- An employee, subcontractor, intern, or volunteer of an association or institution.

Under current law, background check-related duties must be conducted by the administrative director of the recommending agency for prospective and current foster and adoptive parents or the appointing or hiring officer of an out-of-home care entity that is an association or institution. Continuing law requires an attorney who arranges an adoption for a prospective adoptive parent to conduct background check-related duties.

The bill permits the ODJFS Director to delegate to any private or public entity any of the background check-related duties imposed on ODJFS by the bill. Additionally, the bill recodifies, but (except as discussed above) largely maintains the substance of, laws governing background checks for those individuals.

Under the bill, on receipt of a criminal records check request from the ODJFS Director, a qualified organization that arranges temporary child hosting, an attorney who arranges adoption, or the appointing or hiring officer of an out-of-home care entity that is not an association or institution, the BCII Superintendent must conduct a criminal records check in accordance with continuing law to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to certain violations.

The bill adds the following offenses for which the BCII Superintendent must determine if information exists:

- Failure to report child abuse or neglect as a mandatory reporter;
- Reckless homicide;
- Aggravated vehicular homicide, vehicular homicide, or vehicular manslaughter;
- Aggravated vehicular assault or vehicular assault;
- Female genital mutilation;
- Human trafficking;
- Commercial sexual exploitation of a minor;
- Unlawful possession of dangerous ordnance;
- Illegally manufacturing or processing explosives;
- Improperly furnishing firearms to a minor;
- Illegal assembly or possession of chemicals for manufacture of drugs;

- Permitting drug abuse;
- Deception to obtain a dangerous drug;
- Illegal processing of drug documents;
- Tampering with drugs;
- Abusing harmful intoxicants;
- Trafficking in harmful intoxicants;
- Improperly dispensing or distributing nitrous oxide;
- Illegal dispensing of drug samples;
- Counterfeit controlled substance offenses;
- Ethnic intimidation;
- Any violation of the Ohio Criminal Code that is a felony.

The bill also removes the following offenses:

1. Misdemeanor unlawful abortion;
2. Misdemeanor endangering children;
3. Contributing to the unruliness or delinquency of a child;
4. Misdemeanor domestic violence.

Electronic reporting of child abuse or neglect

(R.C. 2151.421)

The bill allows an individual to make a child abuse or neglect report electronically, in addition to the existing law options of making a report by telephone or in person. This applies to both mandatory and voluntary reporters under existing law.

Referrals for prevention services

(R.C. 2151.421, 2151.423, 5153.16, 5153.161, and 5153.162)

The bill requires that when a PCSA makes a report and determines after investigation that a child is a candidate for prevention services, the PCSA must make efforts to prevent neglect or abuse, enhance a child's welfare, and preserve the family unit intact by referring the report to an agency providing prevention services for assessment and services. The law currently specifies that any child abuse or neglect report (except for one made to the State Highway Patrol) must result in the PCSA making protective services and emergency supportive services available on behalf of the children about whom the report is made, in an effort to prevent further neglect or abuse, enhance the child's welfare, and, whenever possible, to preserve the family unit intact. The bill removes these goals under existing law and applies them to referrals for prevention services.

The bill allows a PCSA to disclose confidential information discovered during an investigation to an agency providing prevention services to the child. Existing law, unchanged by the bill, also allows a PCSA to disclose confidential information to any federal, state, or local government, including any appropriate military authority that needs the information to carry out its responsibilities to protect children from abuse or neglect.

Finally, the bill requires a PCSA to enter into a contract with an agency providing prevention services in an effort to prevent neglect or abuse, enhance a child's welfare, and preserve the family unit intact.

Child abuse or neglect report disposition appeal and registry

(R.C. 2151.421, 5101.136, and 5101.137)

Investigation disposition notice and appeal

The bill establishes a five-business-day deadline for a PCSA that investigated a report of child abuse or neglect to give the person alleged to have inflicted the abuse or neglect written notification of the investigation's disposition, after determination of the disposition. This notice must be made in a form designated by ODJFS and must inform the person of the right to appeal the disposition.

The bill also requires ODJFS to adopt rules in accordance with R.C. Chapter 119 to implement a notice and appeal process for an alleged perpetrator of abuse or neglect. The rules must include all of the following:

- A requirement for the PCSA to provide an initial notification to the alleged perpetrator that: (1) the PCSA has received a good faith report that has been screened in for investigation that the person has been identified as an alleged perpetrator of abuse or neglect, (2) the PCSA has initiated an investigation of that report, (3) the person's name will be entered into the Statewide Automated Child Welfare Information System (SACWIS), and (4) the person will receive written notification of the investigation disposition and instructions on how to appeal the disposition, if the person chooses to do so.
- A requirement that the PCSA provide the person written notice of the investigation disposition and the right to appeal it, no later than five days after the disposition is issued.
- Procedures to ensure that the above two notification requirements are successfully provided to the person.
- The method and time limit for a person to file an appeal with the PCSA.
- A time limit for the PCSA to respond to a request for an appeal and issue a decision.
- Sanctions that may be applied against a PCSA for failing to take action within the required time limits.

The rules must be adopted no later than 180 days after the effective date of this provision. The rules are also exempt from the regulatory restriction reduction requirements under Ohio law.

SACWIS alleged perpetrator search

The bill specifies that if a person requests ODJFS to search whether that person's name has been placed or remains in the SACWIS "Alleged Perpetrator" registry as an alleged perpetrator of child abuse or neglect, and a search reveals that a "substantiated" disposition exists, ODJFS must send a letter to that person indicating that there has been a "match."

Expungement of SACWIS alleged perpetrator records

The bill requires ODJFS to expunge from the SACWIS "Alleged Perpetrator" registry "substantiated" dispositions of child abuse or neglect that are older than ten years.

Definition of "abused child"

(R.C. 2151.031)

The bill expands the definition of "abused child" by adding a child who is the victim of disseminating, obtaining, or displaying materials or performances that are harmful to juveniles if the activity would constitute a criminal sexual offense, except that the court need not find that any person has been convicted of a sexual offense in order to find that the child is an abused child.

The bill further modifies the definition of "abused child" by including a child who because of the acts of the child's "caretaker" suffers physical or mental injury that harms or threatens the child's health or welfare.

The bill states that if a child exhibits evidence of physical disciplinary measures by a "caretaker" the child is not an abused child if the measure is not prohibited under the offense of endangering children.

Records of former foster children

(R.C. 5153.17)

The bill allows an adult who was formerly placed in foster care to request that a PCSA allow the adult to inspect records that the PCSA maintains pertaining to the adult's time in foster care. These records may include medical, mental health, school, and legal records and a comprehensive summary of reasons why the adult was placed in foster care. However, the bill allows the PCSA's executive director or director's designee to redact information that is specific to other individuals, if that information does not directly pertain to the requesting adult's records or the comprehensive summary.

Under existing law, these records are confidential and only open to inspection by the PCSA, the ODJFS Director, county job and family services directors, and other persons with written permission of the PCSA executive director. The bill simply adds adults who were formerly in foster care to those who are allowed to inspect these records.

Each PCSA is required under existing law to prepare and keep written records of:

- Investigations of families, children and foster homes;
- The care, training, and treatment afforded to children; and

- Other records that ODJFS requires.

Ohio Child Welfare Training Program (OCWTP) changes

(R.C. 5103.37, 5103.41, 5103.422 (5103.42), 5153.122, and 5153.123, with conforming changes in R.C. 5103.391, 5153.124, and 5153.127; repealed R.C. 5103.301, 5103.31, 5103.33, 5103.34, 5103.35, 5103.36, 5103.361, 5103.362, 5103.363, 5103.38, 5103.42, and 5103.421)

PCSA caseworker and supervisor training hours

The bill eliminates the requirements that PCSA caseworkers must complete at least 120 hours, and PCSA caseworker supervisors must complete at least 60 hours, of in-service training during the first year of continuous employment as a PCSA caseworker or PCSA caseworker supervisor. It also eliminates the requirement that they complete at least 12 hours of training in recognizing the signs of domestic violence and its relationship to child abuse during the first two years of continuous employment, and that the 12 hours may be in addition to the training required during the caseworker's first or second years of employment.

Under continuing law, PCSA caseworkers and PCSA caseworker supervisors must still complete in-service training during the first year of continuous employment and domestic violence training during the second year of continuous employment.

OCWTP regional training centers

The bill eliminates the requirements that ODJFS designate eight training regions in Ohio and that each region contain only one training center. Under continuing law, ODJFS, in consultation with the OCWTP Steering Committee, must still designate and review the composition of training regions in Ohio and provide recommendations on changes.

The bill amends a regional training *staff's* (regional training *center's*, under current law) responsibility under continuing law to analyze the training needs of PCSA caseworkers and PCSA caseworker supervisors employed by PCSAs in the training region to also include the training needs of assessors, prospective and current foster caregivers, and case managers and supervisors.⁴⁵

The bill repeals laws governing the OCWTP that do the following:

- Require the ODJFS Director to adopt rules for implementation of the OCWTP and that the training comply with ODJFS rules;
- Require ODJFS to monitor and evaluate the OCWTP to ensure that it satisfies all the requirements established by law and rule;
- Require ODJFS to contract with an OCWTP coordinator each biennium and govern the development, issuance, and responses to requests for proposals to serve as the OCWTP coordinator;

⁴⁵ R.C. 5103.30, not in Section 101.01 of the bill.

- Require ODJFS to oversee the OCWTP coordinator’s development, implementation, and management of the OCWTP;
- Require PCSAs in Athens, Cuyahoga, Franklin, Greene, Guernsey, Lucas, and Summit counties to establish and maintain regional training centers and each executive director of those counties to appoint a manager of the training center;
- Require that the preplacement and continuing training be made available to foster caregivers without regard to the type of recommending agency from which the foster caregiver seeks a recommendation.

Finally, the bill recodifies laws that do the following:

- Require the OCWTP Coordinator to (1) identify the competencies needed to do the jobs that the training is for so that the training helps the development of those competencies, and (2) ensure that the training provides the knowledge, skill, and ability needed to do those jobs;
- Permit ODJFS to make a grant to a PCSA that establishes and maintains a regional training center for the purpose of wholly or partially subsidizing the center’s operation.

Family and Children First Cabinet Council

County councils

(R.C. 121.37 and 121.381)

County council child well-being indicators and priorities

The bill removes the focus on select indicators and priorities in the indicators to measure child well-being. The Ohio Family and Children First Cabinet Council is responsible for developing and implementing an interagency process to select indicators to be used to measure child well-being in Ohio, and county family and children first councils are responsible for identifying local priorities to increase child well-being. Current law requires that these indicators and priorities focus on expectant parents and newborns thriving, infants and toddlers thriving, children being ready for school, children and youth succeeding in school, youth choosing healthy behaviors, and youth successfully transitioning into adulthood. The bill removes the requirement to focus on these specific indicators and priorities.

County council grant agreements

The bill expands the categories of council contracts that are exempt from competitive bidding requirements so that contracts and agreements are exempt if they are to purchase services for families and children. Current law only exempts agreements and contracts to purchase family and child welfare, child protection services, or other social or job and family services for children. The bill also requires that a council’s administrative agent be responsible for ensuring that all expenditures are handled in accordance with applicable grant agreements.

Out-of-home placement service coordination

Current law requires that each county’s service coordination mechanism include a procedure for conducting a service coordination plan meeting for each child who is receiving or

being considered for an out-of-home placement. The bill expands the current provision clarifying that this plan does not override or affect the decisions of a juvenile court regarding out-of-home placement, to also clarify that the service coordination plan does not override or affect the decisions of a PCSA.

Rulemaking

The bill allows the Cabinet Council to adopt rules governing the responsibilities of county councils.

Technical correction

The bill corrects an incorrect cross-reference to reflect that the responsibility for administering early intervention services rests with the Department of Developmental Disabilities not the Department of Health.

Ohio Automated Service Coordination Information System

(R.C. 121.376 and 121.37)

The bill requires the Cabinet Council state office to establish and maintain the Ohio Automated Service Coordination Information System (OASCIS) to contain county council records detailing funding sources and information regarding families seeking services from county councils. The information includes demographics, financial resource eligibility, health histories, names of insurers and physicians, individualized plans, case file documents, and any other information related to families served, services provided, or financial resources. New information must be updated within five business days of obtaining the information, or the county council may be at risk of losing state funding.

All information in OASCIS is confidential. Release of information is limited to those with whom a county council is permitted by law to share, and access and use is limited to only the extent necessary to carry out duties of the Cabinet Council and county councils. Personnel accessing the system must be educated on confidentiality requirements and security procedures, and penalties for noncompliance, which are to be established by each county council. Each county council must monitor access to the system to prevent unauthorized use, and may not approve access for any researcher.

The Cabinet Council may adopt rules regarding access to, entry of, and use of information in OASCIS. The rules must be adopted in accordance with the Administrative Procedure Act (R.C. Chapter 119).

Substitute care provider licensing rules

(Repealed R.C. 121.372)

The bill eliminates a law requiring the Cabinet Council, in 1999, to establish an office to review rules governing certification and licensure of substitute care providers. The purpose of the office was to minimize the number of differing certification or licensing requirements for substitute care providers between ODJFS, OhioMHAS, and the Department of Developmental Disabilities.

Wellness Block Grant Program

(Repealed R.C. 121.371)

The bill repeals the inactive Wellness Block Grant Program that ended in 2009, which was overseen by the Cabinet Council and administered by ODJFS. The program provided funds to county councils for prevention services addressing issues of broad social concern.

Children's Trust Fund Board

Membership

(R.C. 3109.15)

The bill specifies that a public member of the Children's Trust Fund Board may serve two consecutive terms after serving the remainder of a term for which the member was appointed to fill a vacancy. Under continuing law, public board members are appointed by the Governor and must have a demonstrated knowledge in programs for children, represent Ohio's demographic composition, and represent the educational, legal, social work, or medical community, voluntary sector, and professionals in child abuse and child neglect services. The public Board members serve terms of three years.

Additionally, the bill changes the number of Board members required to be present to have a quorum from eight to a majority of the members appointed to the Board. Under continuing law, the Board consists of 15 appointed members. Because vacancies on the Board may occur, the bill permits the quorum to be determined by a majority of the members appointed at the time the Board is meeting, which may not be all 15 members.

Under continuing law, the Board must meet at least quarterly to conduct its official business and a quorum is required to make all decisions.

Acceptance of federal funds

(R.C. 3109.16)

The bill eliminates the requirement that the Children's Trust Fund Board's acceptance and use of federal and other funds must not entail commitment of state funds, permitting the Children's Trust Fund Board to accept such funds.

Children's advocacy centers

(R.C. 3109.17 and 3108.178)

The bill removes the requirement that each children's advocacy center that receives funds from the Children's Trust Fund Board submit an annual report to the Board. The Board is responsible for specifying the report's content.

The bill also removes the requirement that the Board maintain a list of all state and federal funding that may be available to children's advocacy centers.

Child abuse and child neglect regional prevention councils

(R.C. 3109.172)

Ohio is divided into eight child abuse and child neglect prevention regions. Each region must establish a child abuse and child neglect regional prevention council. Current law permits each board of county commissioners to appoint up to two county prevention specialists to the council representing the county. The bill adds parent advocates with relevant experience and knowledge of services in the region to the list of county prevention specialists who may be appointed.

Currently, the chairperson of a council is a nonvoting member who is a representative of the council's regional prevention coordinator. The bill removes the representative of the council's regional prevention coordinator from the council, and instead requires each council's regional prevention coordinator to select a chairperson from among the county prevention specialists serving on the council. The chairperson continues to be a nonvoting member, and presides over council meetings.

At the chairperson's discretion, the bill allows the vice-chairperson to preside over council meetings. The vice-chairperson is elected by majority vote at the first regular meeting of each year. When presiding over a council meeting, the vice-chairperson functions in the same capacity as the chairperson and becomes a nonvoting member.

Removal of Kinship Support state hearing rights

(R.C. 5101.1411)

The bill removes the option for a state hearing when ODJFS denies or terminates payments under the Kinship Support Program. Existing law, unchanged by the bill, generally requires that an individual who appeals a decision or order of an agency administering a family services program under federal or state law be granted a state hearing by ODJFS, at the individual's request.⁴⁶ The bill, therefore, removes an individual's ability to appeal a determination regarding the Kinship Support Program. Other programs that are still subject to a state hearing are foster care assistance, kinship guardianship assistance, and adoption assistance payments.

Kinship Guardianship Assistance Program administration

(R.C. 5153.163)

The bill specifies that ODJFS may enter into an agreement with a child's relative under which ODJFS may provide assistance as needed under the Kinship Guardianship Assistance Program (KGAP) on behalf of a child, when funds are available. Current law specifies that a PCSA, instead of ODJFS, may enter into the agreement and provide assistance. Existing law, unchanged by the bill, includes the following eligibility requirements for KGAP:

⁴⁶ R.C. 5101.35.

- The relative has cared for the eligible child as a foster caregiver for at least six consecutive months;
- A juvenile court issued an order granting legal custody of the child to the relative, or a probate court issued an order granting guardianship of the child to the relative, and the order is not a temporary court order;
- The relative has committed to care for the child on a permanent basis;
- The relative signed a kinship guardian assistance agreement before assuming legal guardianship or legal custody of the child.

The bill also requires the PCSA that had custody of a child before the court granted legal custody or guardianship to a relative to make specific eligibility determinations. Under current law, these determinations are additional requirements that must be met to be eligible for KGAP and are unchanged by the bill:

- The child was removed from home under a voluntary placement agreement or because of a judicial determination that staying in the home would be contrary to the child's welfare;
- Returning the child home or adoption are not appropriate permanency options;
- The child demonstrates a strong attachment to the relative and the relative has a strong commitment to permanently caring for the child;
- If the child is 14 or older, the child has been consulted on the KGAP arrangement;
- The child is not eligible for Title IV-E kinship guardianship assistance.

In addition to the above determinations that the PCSA is required to make, the PCSA also may determine the eligibility requirements provided in the first bulleted list above, as well as any relevant determination provided for in rules that ODJFS adopts.

Rulemaking

The bill requires ODJFS to adopt rules regarding the frequency that ODJFS must redetermine a child's continuing need for services under KGAP and payments under the State Adoption Maintenance Subsidy. Existing law requires ODJFS to make redeterminations annually. The rules are exempt from the regulatory restriction reduction requirements under Ohio law.

State Adoption Assistance Loan Fund

(Repealed R.C. 3107.018; R.C. 5101.143)

The bill repeals the law governing administration of adoption assistance loans from the State Adoption Assistance Loan Fund. It retains the fund and its purpose, but repeals statutory requirements addressing the loans. This appears to leave loan administration governed by rules.

Under current law, money in the fund is used to make state adoption assistance loans to prospective adoptive parents who apply for them. The fund is established in the state treasury and is administered by ODJFS. ODJFS may approve or deny, in whole or in part, a loan to a

prospective adoptive parent for up to \$3,000 if the child being adopted resides in Ohio, or up to \$2,000 if the child does not reside in Ohio. Loan recipients may use the disbursement only for adoption-related expenses.

Interstate Compact for the Placement of Children

(R.C. 5103.20)

The bill makes changes to the current Interstate Compact for the Placement of Children (ICPC), primarily regarding jurisdiction and placement requirements. The ICPC is a statutory agreement among all 50 states, Washington, DC, and the U.S. Virgin Islands that governs the placement of children from one state to another. It establishes requirements for placing a child out-of-state and seeks to ensure that prospective placements are safe and suitable before approval and that the individual or entity placing the child remains legally and financially responsible for the child following placement.⁴⁷

Jurisdiction

(Article IV)

Under the existing ICPC, the sending state retains jurisdiction over a child regarding all matters of custody and disposition that it would have had if the child had remained in the sending state, including the power to order the return of the child to the sending state. The bill makes the following exceptions to this:

- The substantive laws of the state where an adoption will be finalized will solely govern all issues relating to the adoption of the child, and the court in which the adoption proceeding is filed has subject matter jurisdiction on all substantive issues relating to the adoption, except:
 - When the child is a ward of another court that established jurisdiction over the child before the placement;
 - When the child is in the legal custody of a public agency in the sending state;
 - When a court in the sending state has otherwise appropriately assumed jurisdiction over the child, before the submission of the request for approval of placement.
- The second and third bullets under “**Assessments and Placements**” (below) regarding private and independent adoptions;
- In interstate placements in which the public child placing agency is not a party to a custody proceeding.

The bill also allows, in court cases subject to the ICPC, testimony for hearings before any judicial officer to occur in person or by telephone, audio-video conference, or any other means approved by the rules of the Interstate Commission (IC). Judicial officers may communicate with

⁴⁷ “[ICPC FAQ’s](#),” The American Public Human Services Association, available at aphsa.org.

other juridical officers and persons involved in the interstate process as permitted by their canons of judicial conduct and any rules promulgated by the IC.

Finally, the bill specifies that a final decree of adoption cannot be entered in any jurisdiction until the placement is authorized as an “approved placement” by the public child placing agency in the receiving state.

Assessments and placement

(Article V)

The bill makes extensive changes with regard to assessments and placement. First, it specifies that for placements by a private child placing agency, a child may be sent or brought into a receiving state, upon receipt and immediate review of the required content in a request for approval of a placement in both the sending and receiving state public child placing agency. The required content to accompany a request for approval must include all of the following:

- A request for approval identifying the child, birth parent(s), the prospective adoptive parent(s), and the supervising agency, signed by the person requesting approval;
- The appropriate consents or relinquishments signed by the birth parents in accordance with the laws of the sending state or, where permitted, the laws of the state where the adoption will be finalized;
- Certification by a licensed attorney or authorized agent of a private adoption agency that the consent or relinquishment is in compliance with the laws of the sending state or, where permitted, the laws of the state where finalization of the adoption will occur;
- A home study;
- An acknowledgment of legal risk signed by the prospective adoptive parents.

The existing ICPC specifies that before sending, bringing, or causing a child to be sent or brought into the receiving state, the private child placing agency must: (1) provide evidence that the laws of the sending state have been complied with, (2) certify that the consent or relinquishment is in compliance with law of the birth parent’s state of residence or, where permitted, the laws of the state where finalization of the adoption will occur, (3) request through the public child placing agency in the sending state an assessment to be conducted in the receiving state, and (4) upon completion of the assessment, obtain the approval of the public child placing agency in the receiving state. The bill repeals these requirements.

Second, the bill allows the sending state and the receiving state to request additional information or documents before finalizing an approved placement; however, they may not delay the prospective adoptive parents’ travel with the child if the required content for approval has been submitted, received, and reviewed by the public child placing agency in both the sending state and receiving state. Approval from the public child placing agency in the receiving state for a provisional or approved placement is required as specified in the IC rules.

Third, the bill requires that a public child placing agency in the receiving state must approve a provisional placement and complete or arrange for the completion of the assessment

within the timeframes established by the IC rules. Current law does not require the approval of a provisional placement.

Finally, the bill specifies that for a placement by a private child placing agency, the sending state cannot impose any additional requirements to complete the home study that are not required by the receiving state, unless adoption is finalized in the receiving state.

Applicability

(Article III)

The bill specifies that the ICPC does not apply to the interstate placement of a child in a custody proceeding in which a public child placing agency is not a party, if the placement is not intended to effectuate adoption. Existing law also specifies that the ICPC does not apply to the placement of a child with a noncustodial parent, provided that the court in the sending state dismisses its jurisdiction over the child's case. The bill changes this to when the court dismisses its jurisdiction in interstate placements in which the public child placing agency is a party to the proceeding.

Placement authority

(Article VI)

The ICPC grants any interested party standing to seek an administrative review of a receiving state's disapproval of a proposed placement. The bill requires this review and any further judicial review associated with the determination to be conducted in the receiving state pursuant to its Administrative Procedure Act. The existing ICPC simply requires for it to be conducted pursuant to the receiving state's administrative procedures.

State responsibility

(Article VII)

The bill repeals an existing requirement that a private child placing agency be responsible for any assessment conducted in the receiving state and any supervision conducted by the receiving state at the level required by the laws of the receiving state or IC rules.

Enforceability

(Article XI, XII, and XVII)

The bill specifies that rules promulgated by the IC have the force and effect of administrative rules and are binding in the compacting states to the extent and in the manner provided in the Compact. The existing ICPC specifies that the rules have the force and effect of statutory law and supersede any conflicting state laws, rules, or regulations.

Participation by nonmembers

(Article XIV)

The bill requires that executive heads of the state human services administration with ultimate responsibility for the child welfare program of nonmember states or their designees be

invited to participate in IC activities on a nonvoting basis before the adoption of the compact by all states. The ICPC currently specifies that governors may be invited.

Definitions

(Article II)

The bill makes numerous changes to definitions of terms used in the ICPC.

Changes to existing definitions

- Under the existing ICPC, “**approved placement**” means that the receiving state has determined after an assessment that the placement is both safe and suitable for the child and is in compliance with the laws of the receiving state governing the placement of children. The bill clarifies that the public child placing agency in the receiving state has made the determination. It also repeals the provision about being in compliance with the receiving state’s laws.
- The existing ICPC defines “**assessment**” as an evaluation of a prospective placement to determine whether it meets the individualized needs of the child. The bill clarifies that it is an evaluation made by a public child placing agency in the receiving state and only applies to a placement by a public child placing agency.
- The existing ICPC defines “**provisional placement,**” in part, to mean that the receiving state has determined that the proposed placement is safe and suitable and, to the extent allowable, the receiving state has temporarily waived its standards or requirements that otherwise apply to prospective foster or adoptive parents so as to not delay the placement. Again, the bill clarifies this to mean a determination made by the public child placing agency in the receiving state.
- The bill changes the term, “service member’s state of local residence,” to “service member’s state of *legal* residence.” The definition remains the same – it is the state in which the active duty Armed Services member is considered a resident for tax and voting purposes.

New definitions

- The bill defines “certification” to mean to attest, declare, or swear to before a judge or notary public.
- The bill defines “home study” as an evaluation of a home environment conducted in accordance with the requirements of the state in which the home is located, and documents the preparation and the suitability of the placement resource for placement of a child in accordance with the laws and requirements of the state in which the home is located.
- The bill defines “legal risk placement” (or “legal risk adoption”) as a placement made preliminary to an adoption where the prospective adoptive parents acknowledge in writing that a child can be ordered returned to the sending state or the birth mother’s state of residence, if different from the sending state, and a final decree of adoption

cannot be entered in any jurisdiction until all required consents are obtained or are dispensed with in accordance with applicable law.

Multi-system youth action plan

(Repealed R.C. 121.374)

The bill repeals a requirement for the Ohio Family and Children First Council to develop a comprehensive multi-system youth action plan, in an effort to cease the practice of relinquishing custody of a child for the sole purpose of gaining access to child-specific services for multi-system children and youth. The Council submitted the plan to the General Assembly in January 2020. The [plan \(PDF\)](#) is available on the Family and Children First Council website, at fcf.ohio.gov.

CHILD CARE

Publicly funded child care – reimbursement rates

(R.C. 5104.30 and 5103.302 (primary))

The bill maintains the requirement that the ODJFS Director establish by rule by July 1 of each odd-numbered year reimbursement rates for publicly funded child care providers. But, it also requires the Director to contract with a third-party entity to analyze child care price information for the subsequent even-numbered year.

The bill then authorizes the ODJFS Director – based on the information analyzed – to adjust provider reimbursement rates for the even-numbered year. Under the bill, any adjustment must be made by rule.

The bill also authorizes the third-party entity under contract with the ODJFS Director, when analyzing child care price information, to consider the most recent market rate survey. About every two years, ODJFS, or an entity under contract with ODJFS, surveys child care providers – across geographic locations and child care settings – to determine market rates throughout the state.

Child Care Advisory Council

(R.C. 5104.08)

The bill adds three nonvoting members to the Council: the Ohio Head Start Collaboration Director, a member appointed by the ODJFS Director representing child care, and a member appointed by the Director representing child welfare. It also adds three voting members to the Council: a member representing approved child day camps, a member representing Head Start programs, and a member representing PCSAs from a county department of job and family services (CDJFS) or county children services board. Unlicensed type B homes and parents of children receiving child care in those homes are removed as members represented on the Council.

The bill also expands the Council’s duties to include advising the ODJFS Director about the approval of child day camps, publicly funded child care, and Step Up to Quality.

Child care terminology

(R.C. Chapter 5104; conforming changes in numerous other R.C. sections)

The bill changes the terms “day-care” and “child day-care” to “child care” throughout the Revised Code.

CHILD SUPPORT

Paternity acknowledgments

(R.C. 3111.23 and 3111.24, with conforming changes in R.C. 3111.21, 3111.22, 3111.31, 3111.44, 3111.71, 3111.72, 3705.091, and 3727.17)

Electronic filing of an acknowledgment

The bill allows a child support enforcement agency (CSEA), a local registrar of vital statistics, and hospital staff the option to electronically file an acknowledgment of paternity with ODJFS’s Office of Child Support. The bill retains the existing options to file in person or by mail. The bill also does not change the existing requirement for the natural mother, the man acknowledging he is the natural father, or another custodian or guardian of a child to file an acknowledgment in person or by mail only.

Witnessing signatures on an acknowledgment

The bill allows each signature of a party to an acknowledgment of paternity to be witnessed by two adult witnesses, in addition to the existing option of having each signature notarized. The mother and man acknowledging that he is the natural father may sign the acknowledgment and have the signature notarized or witnessed outside of each other’s presence.

The bill also requires each CSEA, local registrar of vital statistics, and hospital to provide a witness to witness, or a notary public to notarize, the signing of an acknowledgment if the natural mother and alleged father sign an acknowledgment at the relevant location. Existing law requires these places only to provide a notary public. In addition, the bill requires a contract between ODJFS and a hospital to include a provision requiring the hospital to provide a notary public to notarize, or witnesses to witness, an acknowledgment of paternity affidavit signed by the mother and father, when an unmarried woman gives birth in or en route to that hospital. Again, existing law only requires the contract to include a provision to require a notary public.

The bill makes additional conforming changes in Revised Code sections where the notarization of paternity acknowledgments is mentioned.

ODJFS rules – incorrectly filed acknowledgments

The bill repeals requirements for the Office of Child Support regarding acknowledgments that are completed incorrectly. The bill instead requires ODJFS to adopt rules regarding the management of an incorrectly completed acknowledgment. The rules must specify that ODJFS is to provide a new acknowledgment and a notice describing the errors to the parties who filed it. The rules must be adopted not later than 180 days after the effective date of this provision and are exempt from the regulatory restriction reduction requirements under Ohio law.

The repealed statutory requirements direct the Office to return the acknowledgment to the person or entity that filed it and provide a notice stating what needs to be corrected and that the person or entity has ten days to make the corrections and return the acknowledgment. Upon receiving a corrected acknowledgment, the Office must examine it again to ensure that it was correctly completed. If the acknowledgment is still incorrect or not returned on time, it is invalid, and the Office must return it to the person or entity and cannot enter it in the Office's birth registry. If the Office returns the acknowledgment a second time, it must state the errors and specify that the acknowledgment is invalid.

Information required for paternity determination

(Repealed R.C. 3111.40)

The bill repeals a requirement that a request for an administrative determination of whether a parent and child relationship exists include the following information:

- The name, birthdate, current address, and last known address of the alleged father of the child;
- The name, Social Security number, and current address of the mother of the child;
- The name and birthdate of the child.

Redirecting and issuing child support to nonparent caretakers

(R.C. 3119.95 to 3119.9541 and 3119.01, with conforming changes in other R.C. sections; repealed R.C. 3121.46; Section 812.11)

Redirecting child support to caretakers

The bill establishes a process to redirect existing child support orders to a caretaker of a child and allows for new child support orders to be directed to the caretaker. It makes changes to several laws to clarify these rights for caretakers. A child support order subject to the process includes both health care coverage and cash medical support required for the child.

The bill defines a "caretaker" as any of the following, other than a parent:

- A person with whom the child resides for at least 30 consecutive days, and who is the child's primary caregiver;
- A person who is receiving public assistance on behalf of the child;
- A person or agency with legal custody of the child, including a CDJFS or a PCSA;
- A guardian of the person or the estate of a child;
- Any other appropriate court or agency with custody of the child.

The definition does not include a "host family" caring for a child at the request of a parent or other individual under an agreement under existing law. "Caretaker" replaces the terms "guardian," "custodian," and "person with whom the child resides" in certain laws addressing parentage and child support (see "**Establishing parentage and bringing a child support action**," below).

Filing a request

Under the bill, in order to obtain support for the care of the child, the child's caretaker may file an application for Title IV-D services with the CSEA in the county where the caretaker resides.

CSEA determination of whether a child support order exists

The bill requires that upon receipt of an application from the caretaker, or a Title IV-D services referral regarding the child, the CSEA must determine whether the child is the subject of an existing child support order.

When a child support order exists

Investigation

If the CSEA determines that there is an existing child support order, it must determine if any reason exists for the order to be redirected to the caretaker. If the CSEA determines that the caretaker is the primary caregiver for the child, the CSEA must determine that a reason exists for redirection.

If a CSEA determines that a reason for redirection exists, it must determine all of the following not later than 20 days after the application or referral for Title IV-D services is received:

- The amount of each parent's obligation under the existing child support order;
- Whether any prior redirection has been terminated under the process established in the bill;
- Whether any arrearages are owed, and the recommended payment amount to satisfy the arrears;
- If more than one child is subject to the existing child support order, whether the child support order for all or some of the children must be subject to redirection.

If the CSEA determines that more than one child is the subject of a support order and the order for fewer than all of the children should be redirected, it must determine the amount of child support to be redirected. That amount must be the pro rata share of the child support amounts for each such child under the child support order. The CSEA must also make a similar determination regarding health care coverage and cash medical support that may be redirected.

Order for redirection

Under the bill, not later than 20 days after completing an investigation, the CSEA must determine, based on the information gathered, whether the child support order is or is not to be redirected.

If the CSEA determines that the child support order should be redirected, it must either issue a redirection order (for an administrative child support order) or recommend to the court with jurisdiction over the court child support order (which is a child support order issued by a court) to issue a redirection order to include the child support amount to be redirected, as well as provisions for redirection regarding health care coverage and cash medical support.

Notice

Upon issuing a redirection order or making a redirection recommendation to the court, the CSEA must provide notice to the child's parent or caretaker and include it as part of the redirection order or recommendation. The notice must include the following:

- The results of its investigation;
- For an administrative child support order:
 - That the CSEA has issued a redirection order regarding the child support order and a copy of the redirection order;
 - The right to object to the redirection order by bringing an action for child support without regard to marital status, not later than 14 days after the order is issued;
 - That the redirection order becomes final and enforceable if no timely objection is made;
 - The effective date of the redirection order (see "**Effective date**," below).
- For a court child support order:
 - That the CSEA has made a recommendation for a redirection order to the court with jurisdiction over the court child support order, and a copy of the recommendation;
 - The right to object to the redirection by requesting a hearing with the court that has jurisdiction over the court child support order no later than 14 days after the recommendation is issued;
 - That the recommendation will be submitted to the court for inclusion in a redirection order, unless a request for a court hearing is made not later than 14 days after the recommendation is issued;
 - The effective date of the redirection order (see "**Effective date**," below).

Objection

A parent or caretaker may object to an administrative redirection order by bringing an action for a child support order without regard to marital status, not later than 14 days after the redirection order is issued. If no timely objection is made, the redirection order is final and enforceable.

Similarly, a parent or caretaker may object to a redirection recommendation by requesting a hearing with the court with jurisdiction over the court child support order not later than 14 days after the CSEA issued the recommendation to the court. The redirection recommendation must be submitted to the court for inclusion in a redirection order, unless a request for a court hearing is made.

Effective date of redirection

Both an administrative redirection order that has become final and enforceable and a court-issued redirection order based on a recommendation for redirection must take effect as

of, and relate back to, the date the CSEA received the Title IV-D services application or referral that initiated the proceedings.

When a child support order does not exist

The bill provides that if a CSEA determines that the child under the care of a caretaker is not the subject of an existing child support order, it must determine whether any reason exists for which a child support order should be imposed. The CSEA must make the determination not later than 20 days after receiving the Title IV-D services application or referral, and the determination must include whether the caretaker is the child's primary caregiver.

If the CSEA determines that a reason exists for a child support order to be imposed, it must comply with existing law regarding issuing an administrative child support order.

CSEA action re: notice caretaker is no longer primary caregiver

If a CSEA receives notice that a caretaker is no longer the primary caregiver for a child subject to a redirection order or recommendation, it must: (1) investigate if that is the case, and (2) take action depending on whether the CSEA determines that the child remains under the primary care of the caretaker, is under the care of a new caretaker, is under the care of a parent, or is not under anyone's care.

Same caretaker remains primary caregiver

If the CSEA determines that the caretaker to whom amounts are redirected remains the primary caregiver of the child who is the subject of the redirection order or recommendation, it must take no further action on the notice.

A new caretaker is the primary caregiver

If the CSEA determines that a new caretaker is the primary caregiver for the child, it must: (1) terminate the existing redirection order (for an administrative order) or request that the court terminate the redirection order based on the recommendation for redirection and (2) direct the new caretaker to file an application for Title IV-D services to obtain support for the child as provided in the bill (see "**Filing a request**," above).

A parent is the primary caregiver

If the CSEA determines that a parent of the child is the primary caregiver, it must do one of the following:

- If the parent is the obligee under the support order that is subject to redirection, either terminate the existing redirection order (for an administrative order) or request the court to terminate the redirection order based on the recommendation for redirection.
- If the parent is the obligor under the child support order that is subject to redirection, the CSEA must do one of the following (as applicable): (1) terminate the existing redirection order (for an administrative order) or request the court to terminate the redirection order based on the recommendation for redirection, and (2) notify the obligor that the obligor may do the following: (a) request that the child support order be terminated under existing law permitting notification to the CSEA of a reason for termination, (b) request either a review of an administrative child support order under existing law governing the

review of administrative child support orders or request the court to amend the court child support order.

No one is the primary caregiver

If the CSEA determines that no one is taking care of the child, it must terminate the existing redirection order (for an administrative order) or request the court to terminate the redirection order based on the recommendation for redirection. If the CSEA becomes aware of circumstances indicating that the child may be abused or neglected, it must make a report under the child abuse and neglect reporting law.

Impoundment

If a CSEA that receives notification that a caretaker is no longer the primary caregiver for a child subject to a redirection order or recommendation, it must impound any funds received on behalf of the child pursuant to the child support order. Impoundment must continue until any of the following occur:

- The CSEA determines that the caretaker to whom amounts are redirected remains the primary caregiver;
- The CSEA issues a redirection order for a new caretaker;
- The CSEA determines that a parent is the primary caregiver for the child and terminates the redirection order (for an administrative order) or a court terminates its redirection order.

When impoundment terminates, the impounded amounts must be paid to the obligee designated under the child support order or the applicable redirection order.

Impoundment regarding a redirection order that was terminated because no one is caring for the child must continue until further order from the CSEA (for an administrative order) or from the court with jurisdiction over the court child support order.

Rulemaking authority

The bill requires the ODJFS Director to adopt rules in accordance with the Administrative Procedure Act (R.C. Chapter 119) to provide:

1. Requirements for CSEAs to conduct investigations and issue findings pursuant to the bill's provisions regarding whether to redirect child support orders and how much to redirect when a child support order covers more than one child;

2. Any other standards, forms, or procedures needed to ensure uniform implementation of the bill's provisions regarding redirection of child support orders.

Establishing parentage and bringing a child support action

The bill makes several modifications regarding the establishment of parentage and bringing an action for child support to clarify that caretakers hold these rights. Below is a summary of these modifications.

R.C. Section	Description
R.C. 2151.231	Allows a caretaker to bring an action in a juvenile court or other court with jurisdiction in the county where the child, parent, or caretaker of the child resides for an order requiring a parent of a child to pay child support without regard to the marital status of the child's parents.
R.C. 3111.04	Grants a caretaker standing to bring a parentage action.
R.C. 3111.041	Allows a caretaker to authorize genetic testing of a child pursuant to any action or proceeding to establish parentage.
R.C. 3111.07	Requires that a caretaker be made a party to a court action to establish parentage or, if not subject to the court's jurisdiction, be given notice and opportunity to be heard. Allows a caretaker to intervene in an action if the caretaker was or is providing support to the child to whom the action pertains.
R.C. 3111.111	Provides that if a court action is brought under parentage laws to object to a parentage determination, the court must issue a temporary child support order to require the alleged father to pay support to the caretaker.
R.C. 3111.15	Provides that, upon the establishment of parentage, the father's obligations may be enforced in proceedings by a caretaker. Allows the court to order support payments to a caretaker.
R.C. 3111.29	Allows a caretaker to do the following once an acknowledgment of paternity becomes final: <ul style="list-style-type: none"> ▪ File a complaint for support without regard to marital status in the county in which the child or caretaker resides, requesting that the court order the mother, father, or both to pay child support; ▪ Contact the CSEA for assistance in obtaining child support.
R.C. 3111.38	Requires that the CSEA of the county where the child or caretaker resides determine the existence or nonexistence of a parent and child relationship between an alleged father and child if requested by a caretaker.
R.C. 3111.381 and 3111.06	Allows a caretaker to bring an action to determine whether a parent and child relationship exists in the appropriate division of the common pleas court of the county where the child resides without requesting an administrative determination, if the caretaker brings an action to request child support.

R.C. Section	Description
R.C. 3111.48 and 3111.49	<p>Requires that an administrative order regarding a finding of parentage must include a notice informing the caretaker of the right to bring a court parentage action and the effect of the failure to bring timely action.</p> <p>Allows a caretaker to object to an administrative order determining the existence or nonexistence of a parent and child relationship by bringing a parentage action within 14 days after the issuance of the order.</p>
R.C. 3111.78	<p>Provides that a caretaker or CSEA in the county where the caretaker resides may do either of the following to require a man to pay child support and provide health care if presumed to be the father under a presumption of paternity:</p> <ul style="list-style-type: none"> ▪ If the presumption is not based on an acknowledgment of paternity, file a complaint for child support without regard to marital status; ▪ Contact the CSEA to request assistance in obtaining a support order and provision of health care for a child.

Duty of support

The bill amends the law regarding married persons' and parents' obligations of support to add what appears to be a clarifying statement that a parent's duty to support the parent's minor child may be enforced by a child support order.

Custody and child support

The bill expands the law regarding the effect of child custody on child support to clarify that if neither parent of the child who is the subject of a support order is the child's residential parent and legal custodian and the child resides with a caretaker, each parent must pay that parent's child support obligation pursuant to the support order. Under existing law, this provision applies when the child resides with a third party who is the legal custodian of the child.

The bill also removes references to a court issuing a child support order regarding the determination of who pays the child support in a split custody or caretaker custody situation.

Grandparent authorizations

The bill modifies the power of attorney form and the caretaker authorization affidavit form for a grandparent caring for a grandchild by repealing language providing an acknowledgment that the document does not authorize a CSEA to redirect child support payments to the grandparent, and that to have an existing child support order modified or a new child support order issued, administrative or judicial proceedings must be initiated.

Notice included with a support order or modification

Under existing law, each support order or modification of an order must contain a notice to each party subject to a support order, with specifications provided in the law. One specification

is that if an obligor or obligee fails to give certain required notices to the CSEA, that person may not receive notice of the changes and requests to change a child support amount, health care provisions, or termination of the child support order. The bill adds *redirection* to this list of notices of the changes and requests to change.

Repeal of law addressing child support payment to third parties

The bill repeals law which generally provides that when a support order is issued or modified, the court or CSEA may issue an order requiring payment to a third person that is agreed upon by the parties and approved or appointed by the court or CSEA (depending on whether it is an administrative or court child support order). A third person may include a trustee, custodian, guardian of the estate, CDJFS, PCSA, or any appropriate social agency.

Effective date

The bill's provisions regarding the redirection and issuance of child support to nonparent caretakers apply beginning six months after their effective date. During that six-month period, ODJFS must perform system changes, create rules and forms, and make any other changes as necessary to implement its provisions.

Fatherhood programs

(R.C. 5101.342, 5101.80, 5101.801, and 5101.805, with conforming changes in R.C. 3125.18, 5101.35, and 5153.16)

The bill specifies in the Revised Code that the Ohio Commission on Fatherhood may make recommendations to the ODJFS Director regarding funding, approval, and implementation of fatherhood programs in Ohio that meet one of the four purposes of the Temporary Assistance for Needy Families (TANF) block grant. It includes such programs as Title IV-A programs that are funded in part by the TANF block grant. The bill permits ODJFS to (1) enter into an agreement with a private, not-for-profit entity for the entity to receive funds as recommended by the Commission and (2) to adopt rules relating to these provisions.

PUBLIC ASSISTANCE

TANF spending plan

(R.C. 5101.806)

The bill extends, from July 30 to August 29 of even-numbered calendar years, the deadline for ODJFS to prepare and submit a TANF spending plan. It must submit the plan to the chairperson of a standing committee of the House designated by the Speaker, the chairperson of a standing committee of the Senate designated by the President, and the Minority Leaders of both the House and Senate.

Ohio Works First

Eligibility

(R.C. 5107.36)

The bill corrects a cross-reference to the definition of “fugitive felon” for purposes of the Ohio Works First program and updates the term to the bill’s new “fleeing felon” (described below in “**Definitions**”).

Work Experience Program (WEP)

(R.C. 5107.54)

Current law requires when a WEP participant is placed with a private or government entity, that entity pays premiums to the Bureau of Workers’ Compensation on the participant’s behalf if the CDJFS does not. The bill specifies that the participant must not only be placed with the entity but also participate in WEP for the entity to be required to pay workers’ compensation premiums.

SNAP and WIC benefit trafficking

(R.C. 2913.46)

The bill expands the conduct that constitutes the illegal use of Supplemental Nutrition Assistance Program (SNAP) benefits or WIC benefits, which is a felony under existing law, with the degree dependent on the value of the benefits involved. Specifically, the bill prohibits:

- Soliciting SNAP and WIC benefits by an individual;
- Trafficking SNAP benefits by an individual, with trafficking defined under federal regulations; and
- An organization from allowing an employee to violate the above prohibitions.

Agreement with Ohio Association of Foodbanks

(Section 307.43)

The bill requires ODJFS to enter into a subgrant agreement with the Ohio Association of Foodbanks to enable the Association to: (1) provide food distribution to low-income families and individuals through the statewide charitable emergency food provider network, (2) support the transportation of meals for the Governor’s Office of Faith-Based and Community Initiatives’ Innovative Summer Meals programs for children, and (3) provide capacity building equipment for food pantries and soup kitchens.

Under the agreement, the Association must:

- Purchase food for the Agriculture Clearance and Ohio Food Programs. Information regarding the food purchase must be reflected in a plan for statewide distribution of food products to local food distribution agencies.
- Support the Capacity Building Grant program and purchase equipment for partner agencies needed to increase their capacity to serve more families eligible under the TANF

program with perishable foods, fruits, and vegetables. Equipment purchases must include shelving, pallet jacks, commercial refrigerators, and commercial freezers.

- Submit a quarterly report to ODJFS not later than 60 days after the close of the quarter that includes a summary of the allocation and expenditure of grant funds; product type and pounds distributed by foodbank service region and county; and the number of households and households with children, a breakdown of individuals served by age ranges, and the number of meals served.
- Submit an annual report to the ODJFS Agreement Manager not later than 120 days after the end of the fiscal year, including a summary of the allocation and expenditure of grant funds; the number of households and households with children; a breakdown of individuals served by age ranges, and the number of meals served; the quantity and type of food distributed and the total per pound cost of the food purchased; information on the cost of storage, transportation, and processing; and an evaluation of the success in achieving expected performance outcomes.

Disclosure of public assistance recipient information

(R.C. 5101.27 and 5101.30; repealed R.C. 5101.272)

The bill eliminates the prohibition on any person or government entity sharing information regarding a public assistance recipient for any purpose not directly connected with the program's administration, unless expressly permitted by law. It instead requires ODJFS and CDJFSs to keep public assistance recipient information confidential and accessible only to employees, unless disclosure is approved by ODJFS or a judge of a court of record. Information that does not identify an individual does not have to be kept confidential and may be released in summary, statistical, or aggregate form. Information may not be disclosed for solicitation of contributions or expenditures to or on behalf of a candidate for public office or a political party.

To government and research entities

The bill eliminates the requirement that ODJFS, to the extent permitted by federal law, release public assistance recipient information to government entities responsible for administering a public assistance program, law enforcement agencies, and entities administering public utility services programs, and instead permits the disclosure. It also adds the following additional entities that may receive the information: (1) a government entity for use in the performance of its official duties, including research, or a contractor as permissible, (2) any U.S. agency charged with administering any public assistance program, and any state or federal official responsible for overseeing and auditing public assistance programs, and (3) the following, for research purposes:

1. Individuals;
2. Public and private entities, agencies, and institutions;
3. Private companies or organizations, partnerships, business trusts, or other business entities or ventures;
4. Research organizations; or

5. Combinations of any of the preceding entities.

To the public assistance recipient

The bill permits information regarding a public assistance recipient to be shared with that recipient or any other person or entity the recipient identifies in writing. Current law permits information to be shared with the recipient or the recipient's "authorized representative," legal guardian, or attorney. It requires authorization to be made on a form and specifies the information to be included on it. The bill removes both ODJFS's authority to define "authorized representative" and the required form, but permits ODJFS to adopt rules as needed that contain guidelines regarding disclosure of public assistance information.

To law enforcement

(R.C. 5101.28)

ODJFS, CDJFSs, and PCSAs currently must share information regarding public assistance recipients with law enforcement agencies. The bill changes the sharing of information from required to permissible. It repeals law requiring that a request for information about a public assistance recipient include sufficient information to identify the recipient.

The bill eliminates the civil immunity granted to ODJFS, CDJFSs, PCSAs, and their officers and employees from liability for harm that results from releasing such information, while retaining general provisions of law regarding civil immunity. The bill also eliminates the requirement that ODJFS, CDJFSs, and PCSAs provide access to the State Auditor or other government entities authorized by federal law to conduct audits of public assistance programs.

The bill expands the authorization of ODJFS, CDJFSs, and their employees to report suspected child abuse and neglect to a PCSA by removing the qualification that the child receive public assistance and circumstances indicate that the child's health or welfare is threatened. Under the bill, these individuals are not prohibited from reporting known or suspected physical or mental injury, sexual abuse or exploitation, or negligent treatment or maltreatment of *any* child, instead of only a child receiving public assistance if the circumstances indicate the child's health or welfare is threatened.

Definitions

(R.C. 5101.26 and 5101.28)

In continuing law that requires a law enforcement agency to provide, on request of ODJFS, a CDJFS, or a PCSA, information to enable them to determine whether a public assistance recipient is a "fugitive felon," the bill replaces "fugitive felon" with "fleeing felon." It broadens the term's meaning to include not only someone fleeing to avoid prosecution or custody after conviction for a felony, but also custody before conviction and violating a condition of probation or parole. Note that under Ohio's Criminal Sentencing Law, individuals convicted of a misdemeanor, as well as those convicted of a felony, may be sentenced to probation. The bill authorizes ODJFS to adopt rules regarding the verification of fleeing felon status.

The bill broadens the definition of "law enforcement agency" to mean the office of a sheriff, the Ohio State Highway Patrol (OSHP), a county prosecuting attorney, or a governmental

body that enforces criminal laws and has employees with the power of arrest, as opposed to listing specific entities. It also broadens the definition of “public assistance” to mean a program financed with federal, state, or local funds to provide money or vendor payments for families or individuals on the basis of need and other eligibility conditions, rather than listing Revised Code chapters under which ODJFS-administered public assistance is provided.

Rulemaking

(Repealed R.C. 5101.30; conforming changes in R.C. 5101.26 and 5101.27)

The bill repeals the ODJFS Director’s authority to adopt rules establishing conditions and procedures for the use, disclosure, and preservation of information related to the administration of public assistance programs. Continuing law establishes standards for managing the information.

UNEMPLOYMENT

Identity verification

(R.C. 4141.28)

The bill requires an individual filing an application for determination of benefit rights for unemployment compensation to furnish proof of identity at the time of filing in the manner prescribed by the ODJFS Director. The Director must adopt rules to prescribe the manner in which an applicant must furnish the proof of identity.

Under continuing law, determining eligibility for unemployment benefits is a two-phase process. In the first phase, an individual files an initial application for a determination of benefit rights, which generally examines whether the individual worked and earned enough to be eligible for benefits (“monetary eligibility”). This application is used to establish the individual’s benefit year, which is the 52-week period during which the individual may file claims for benefits based on satisfying the monetary eligibility requirements. After filing a valid initial application and establishing a benefit year, an individual enters the second phase of the process. In the second phase, the individual must file a claim for benefits each week the individual seeks benefits during the benefit year. At this point, the individual must satisfy “nonmonetary requirements.” The nonmonetary requirements concern filing appropriate paperwork, the reason why the individual is unemployed, and work search requirements.⁴⁸

Benefit reductions based on receiving certain pay

(R.C. 4141.31)

The bill requires a claimant’s unemployment benefits for any week of unemployment be reduced by the full amount of holiday pay or allowance paid to the claimant for that week. Continuing law applies the same weekly reduction to vacation pay or allowance.

The bill also requires a claimant’s benefits for any week of unemployment be reduced by the amount of any bonus payable under the law, the terms of a collective bargaining agreement,

⁴⁸ R.C. 4141.28 and R.C. 4141.01 and 4141.29, not in the bill.

or other employment contract. The reduction amount equals the claimant's weekly benefit amount in the first and each succeeding week following the claimant's separation from the employer making the bonus payment until the total bonus amount is exhausted.

Under continuing law, no benefits are paid to a claimant for any week in which the claimant receives remuneration equal to or greater than the claimant's weekly benefit amount. If the amount of remuneration is less than the claimant's weekly benefit amount, continuing law requires the amount of remuneration that exceeds 20% of the claimant's weekly benefit to be deducted for that week. Under current law, holiday pay and bonuses are considered remuneration and the amount of those forms of remuneration that exceeds 20% of the claimant's weekly benefit is deducted for that week.⁴⁹

Disclosure of information

(R.C. 4141.21 and 4141.43)

The bill specifies that information maintained by the ODJFS Director or the Unemployment Compensation Review Commission (UCRC) or furnished to the Director or UCRC by employers and employees under the Unemployment Compensation Law is not a public record under the Ohio Public Records Act.⁵⁰ This is consistent with law that specifies that the information is for the exclusive use and information of ODJFS and the UCRC and may not be disclosed unless an exception applies.

The bill eliminates the following exemptions from the prohibition on disclosure and instead allows the ODJFS Director to adopt rules to allow for these disclosures that conform to federal law requirements:

- The release of information pursuant to the continuing law Income and Eligibility Verification System;⁵¹
- The release of information and records necessary or useful in a claim determination or necessary in verifying a charge to an employer's account for examination and use by the employer and the employee involved or their authorized representatives in the hearing of these cases;
- The release of information in statistical form for the use and information of the public or an agency or other entity;
- The release of information to a consumer reporting agency.

Additionally, the bill allows the ODJFS Director to adopt rules to allow for disclosure of information that conform to federal law requirements, including rules that allow for the following new exceptions to the general disclosure prohibition:

⁴⁹ R.C. 4141.30(C), not in the bill.

⁵⁰ R.C. 149.43.

⁵¹ R.C. 4141.162, not in the bill.

- The release of information by the ODJFS Director's or UCRC's consent;
- The release of information in accordance with an order of a judge of a court of record (current law prohibits such disclosure unless the action arises under the Unemployment Compensation Law);
- The release of information in accordance with law that applies to a state agency that maintains a personal information system;⁵²
- The release of information about an individual or employer to that individual or employer, or the individual's or employer's authorized representative, on request;
- The release of information to federal or state public official, or an agent or contractor of such an official, for use in performance of official duties, including research related to those duties;
- The release of information pursuant to a subpoena issued by a local, state, or federal government official, other than a clerk of court on behalf of a litigant;
- The release of information to a prosecuting authority, law enforcement officer, or law enforcement agency if the ODJFS Director determines that providing the information is in the best interests of the public and does not interfere with the efficient administration of ODJFS;
- The release of information pursuant to a federal law requirement.

The bill's allowance for disclosures in accordance with the ODJFS Director's rules replaces law that simply allows the Director to cooperate with departments and agencies in the exchange or disclosure of information as to wages, employment, payrolls, unemployment, and other information. The bill also eliminates the ODJFS Director's authority to employ, jointly with one or more agencies or departments, auditors, examiners, inspectors, and other employees necessary for the administration of the Unemployment Compensation Law and employment and training services.

The bill prohibits disclosure of information maintained by the ODJFS Director or UCRC for the purpose of solicitation of contributions or expenditures to or on behalf of a candidate for public or political office or to a political party. This prohibition appears to be consistent with current law.

Participation in certain federal programs

(R.C. 4141.43)

The bill specifies that the law requiring the ODJFS Director to take action as necessary to secure all advantages available under certain federal laws does not require the Director to participate in, nor preclude the Director from ceasing to participate in, any voluntary, optional,

⁵² R.C. 1347.08, not in the bill.

special, or emergency program offered by the federal government under federal laws or any other federal program enacted to address exceptional unemployment conditions.

Acceptable collateral from certain reimbursing employers

(R.C. 4141.241)

Continuing law requires a nonprofit employer wishing to be a reimbursing employer under the Unemployment Compensation Law to submit collateral to the ODJFS Director. The bill makes surety bonds the only acceptable form of that collateral. Thus, it eliminates the ability to submit other forms of collateral approved by the ODJFS Director, such as bonds and securities.

Ohio's unemployment system has two types of employers: contributory employers and reimbursing employers. Employers who are assigned a contribution rate and make contributions to the Unemployment Compensation Fund are contributory employers. Most private sector employers are contributory employers. Certain employers are allowed to reimburse the fund after benefits are paid; they are known as "reimbursing employers."⁵³

OTHER PROVISIONS

Workforce report for horizontal well production

(Repealed R.C. 6301.12)

The bill eliminates the requirement that the Office of Workforce Development within ODJFS prepare an annual workforce report for horizontal well production. Under that law, the Office must comprehensively review the direct and indirect economic impact of businesses engaged in the production of horizontal wells in Ohio and prepare the report annually by July 30.

Office of the Migrant Agricultural Ombudsperson

(R.C. 3733.471; repealed R.C. 3733.49 and 4141.031; conforming changes in R.C. 3733.41, 3733.43, 3733.431, 3733.45, 3733.46, 3733.47, and 5321.01)

The bill eliminates the Office of the Migrant Agricultural Ombudsperson established under the authority of the ODJFS Director. Current law requires the Migrant Agricultural Ombudsperson to oversee agricultural labor camps in Ohio, including collecting and disseminating information regarding housing for migrant agricultural laborers and agricultural labor camps, becoming familiar with state and federal laws and programs concerning migrant agricultural laborers and agricultural labor camps, receiving and referring complaints or questions, and preparing an annual report regarding migrant agricultural labor conditions and recommendations for change.

Current law also allows a person to report a violation regarding agricultural labor camps – including a violation of the Minor Labor Law⁵⁴ or Minimum Fair Wage Standards Law⁵⁵ – to the

⁵³ R.C. 4141.01(L), not in the bill.

⁵⁴ R.C. Chapter 4109.

⁵⁵ R.C. Chapter 4111.

Ombudsperson. The bill instead requires the person to make the report to the State Monitor Advocate, who must forward the reports to the Attorney General for investigation and possible action, similar to continuing law.

Under federal law, the workforce development agency of each state (in Ohio, ODJFS) must appoint a State Monitor Advocate. The State Monitor Advocate's duties include similar duties to the Migrant Agricultural Ombudsperson, such as collecting and reviewing data regarding the living and working conditions of migrant and seasonal farmworkers and receiving complaints and referring alleged violations to enforcement agencies. The State Monitor Advocate also is responsible for oversight activities for migrant and seasonal farmworkers, including conducting on-site reviews and field visits, monitoring the provision of employment services, and promoting the Agricultural Recruitment System to connect job seekers to employers.⁵⁶

⁵⁶ 20 C.F.R. 653.108 and [Monitor Advocate System](#), which may be accessed by conducting a keyword "Monitor advocate" search on the U.S. Department of Labor website: dol.gov.

LOTTERY COMMISSION

Rules and operating procedures

- Allows the State Lottery Commission (LOT) to adopt operating procedures for the conduct of lottery games, instead of adopting administrative rules.
- Requires LOT to publish its operating procedures on its official website by 30 days after these provisions of the bill take effect.
- Requires LOT still to adopt rules under the Administrative Procedure Act concerning specific topics listed in current law as matters that must be addressed under the Administrative Procedure Act.
- Provides generally that LOT's existing rules remain in effect unless LOT formally rescinds them.
- Allows LOT to eliminate rules that it replaces with operating procedures on or before the date that is 30 days after the provision's effective date, by notifying LSC to remove them from the Administrative Code, instead of by formally rescinding them.

Internal audits

- Prohibits the LOT's internal audit records from being disclosed to the public until after the final annual audit report is submitted to LOT's director and chairperson.

Rules and operating procedures

(R.C. 3770.03; Section 737.10)

The bill allows LOT to adopt operating procedures for the conduct of lottery games, instead of adopting administrative rules. The operating procedures must include all of the following:

- The type of lottery to be conducted;
- The prices of tickets in the lottery;
- The number, nature, and value of prize awards;
- The manner and frequency of prize drawings;
- The manner in which prizes must be awarded to winners.

Under the bill, LOT must publish all of its operating procedures on its official website and make copies available to the public upon request. LOT must publish all of its operating procedures not later than 30 days after these provisions of the bill take effect.

Currently, LOT must adopt lottery rules under the Administrative Procedure Act (R.C. Chapter 119), except that instant game rules are adopted under R.C. 111.15. (The Administrative Procedure Act prescribes notice, hearing, and other requirements for

administrative rulemaking, while R.C. 111.15 prescribes a separate, less restrictive set of rulemaking procedures that typically applies to internal management matters.) Rules for instant games are not subject to review by the Joint Committee on Agency Rule Review (JCARR).⁵⁷

The bill requires LOT to continue to follow the Administrative Procedure Act in adopting rules about matters that are specifically listed as being subject to that requirement under continuing law. For example, the Administrative Procedure Act continues to apply to LOT rules concerning lottery sports gaming, the location and manner of selling lottery tickets, and the licensing and compensation of lottery sales agents.

All of LOT's existing rules remain in effect unless LOT rescinds them in accordance with the Administrative Procedure Act or R.C. 111.15, as applicable. However, the bill allows LOT to eliminate any rule that it replaces with an operating procedure during the 30 days after these provisions of the bill take effect, without formally rescinding it. LOT must notify LSC's Director of any eliminated rule, and LSC must remove the rule from the Ohio Administrative Code.

Internal audits

(R.C. 3770.06)

The bill limits the extent to which LOT's internal audit records are subject to disclosure as public records. Continuing law requires LOT to conduct an annual internal audit and submit it to the Office of Budget and Management's Office of Internal Audit at the end of each fiscal year. The bill specifies that any preliminary or final report of the findings and recommendations of LOT's internal audit, and all associated work papers, are confidential and are not public records until after LOT staff submit the final report of the audit's findings and recommendations to LOT's Director and to LOT's chairperson or the chair's designee.

⁵⁷ For more information, see LSC's Members Brief, [Administrative Rulemaking \(PDF\)](#), available at lsc.ohio.gov under "Publications," "Members Briefs."

DEPARTMENT OF MEDICAID

General provisions

Assistant director

- Adds an exception to the general requirement that state agencies have only one assistant director to permit the Medicaid Director to designate up to two assistant directors.

Medicaid coverage of services at outpatient health facilities

- Repeals law that requires Medicaid to cover comprehensive primary health services provided by outpatient health facilities that are operated by a city or general health district, another public agency, or certain types of nonprofit private agencies or organizations that receive at least 75% of their operating funds from public sources.

Joint Medicaid Oversight Commission (JMOC) report reduction

- Reduces the frequency of the Medicaid Director's required report to JMOC from quarterly to semi-annually.

Obsolete Medicaid waiver repeal

- Repeals the Unified Long-Term Services and Support Medicaid Waiver component that was never implemented.

Medicaid eligibility

Medicaid group coverage expansion

- Grants Medicaid coverage to the following in the optional eligibility group of individuals under age 65 with incomes up to 133% of the federal poverty line (FPL): (1) pregnant women, (2) children under age 19, and (3) a reasonable classification of children under age 19 adopted through private agencies.
- Establishes the income eligibility threshold for the populations in (1) and (2) above at 300% FPL and specifies that there is no income threshold for (3).
- Requires ODM to exercise the presumptive eligibility option for the newly expanded coverage groups.

Post-COVID Medicaid unwinding

- Requires the Department of Medicaid (ODM) to use third-party data to conduct an eligibility redetermination of all Ohio Medicaid recipients at the conclusion of the COVID-19 emergency period.
- Requires ODM to conduct an eligibility review of all recipients, based on the recipient's eligibility review date, and to disenroll those recipients who are no longer eligible.
- Requires ODM to complete a report containing its findings from the verification and submit it to JMOC.

- Repeals requirements ODM must follow if it receives federal Medicaid funding contingent on a temporary maintenance of effort restriction or otherwise limiting its ability to disenroll ineligible recipients.
- Excepts provider rate increases and the per member unwinding impact identified by the JMOC actuary from the Medicaid reforms required under continuing law.

Medicaid providers

Interest on payments to providers

- Limits the time frame when interest is assessed against a Medicaid provider on an overpayment to the time period determined by ODM, instead of from the payment date until the repayment date.

Provider penalties

- Clarifies that when a Medicaid provider agreement is terminated due to a provider engaging in prohibited activities, the provider may not provide Medicaid services on behalf of any other Medicaid provider.

Suspension of provider agreements and payments

- Revises the law governing the suspension of Medicaid provider agreements and payments in cases of credible allegations of fraud or disqualifying indictments against Medicaid providers or their officers, agents, or owners, including by prohibiting a suspension if the provider or owner can demonstrate good cause.

Criminal records checks

- Revises the law governing the availability of criminal records check reports for Medicaid providers, independent providers, and waiver agencies and their employees, including by authorizing reports to be introduced as evidence at certain administrative hearings and requiring them to be admitted only under seal.

Programs

Voluntary community engagement program

- Requires the Medicaid Director to establish a voluntary community engagement program for medical assistance recipients.
- Requires the program to encourage work among able-bodied medical assistance recipients of working age, including providing information about the benefits of work on physical and mental health.
- Provides that the program is in effect through FY 2025, or until Ohio is able to implement the waiver component establishing work requirements and community engagement as a condition of enrolling in the Medicaid expansion eligibility group.

Care Innovation and Community Improvement Program

- Requires the Medicaid Director to continue the Care Innovation and Community Improvement Program for the FY 2024-FY 2025 biennium.

Ohio Invests in Improvements for Priority Populations

- Continues the Ohio Invests in Improvements for Priority Populations Program as a directed payment program for inpatient and outpatient hospital services provided to Medicaid managed care recipients.
- Provides that, under the program, state university-owned hospitals with fewer than 300 beds can directly receive payment for program services.
- Requires participating hospitals to remit to ODM, through intergovernmental transfer, the nonfederal share of payment for those services.

Physician directed payment program

- Permits the Medicaid Director to seek federal approval to establish a physician directed payment program for nonpublic hospitals and related health systems.
- Provides that, under the program, participating hospitals receive payments directly for physician services provided to enrollees.
- Caps directed payments under the programs at the average commercial level paid to participating health systems for physician and other covered professional services that are provided to Medicaid MCO enrollees.
- Requires eligible public entities to transfer, through intergovernmental transfer, the nonfederal share of those services.

Medicaid payment rates

Payment rates for community behavioral services

- Permits ODM to establish Medicaid payment rates for community behavioral health services provided during FY 2024 and FY 2025 that exceed the Medicare rates for those services.

Competitive wages for direct care workforce

- Requires certain funds contained in the bill for provider rate increases to be used to increase wages and needed workforce supports to ensure workforce stability and greater access to care for Medicaid recipients.

Assisted Living program payment rates

- Permits ODM, in consultation with the Department of Aging, to establish both (1) an assisted living services base payment rate and (2) an assisted living memory care service payment, for assisted living facilities participating in the Medicaid-funded component of the Assisted Living program.

Medicaid MCO credentialing

- Repeals a requirement that ODM permit Medicaid MCOs to create a credentialing process for providers.

Nursing facilities

Special Focus Facility Program

- Aligns statutory language regarding the Special Focus Facility (SFF) Program with federal changes to the program and prohibits a nursing facility provider from appealing an order issued by ODM terminating a nursing facility's participation in Medicaid based on the facility's participation in the SFF program.

Nursing facility case-mix scores

- Updates the formula and terminology used to calculate nursing facility case-mix scores to correspond to the new federal Patient Driven Payment Model.

Debt summary reports; CMS debts related to exiting operators

- Regarding determining the actual amount of debt an exiting operator of a nursing facility owes ODM, requires ODM to issue a final debt summary report, instead of having an initial or revised debt summary report become the final debt summary report.
- Eliminates various provisions related to debts an exiting operator owes to CMS.

Nursing facility field audit manual and program

- Eliminates the requirement that ODM establish a program and manual for field audits of nursing facilities.
- Eliminates certain required procedures for auditors that must be included in the manual.
- Requires audits conducted by ODM to be conducted by an audit plan developed before audit begins, and that audits conducted by auditors contracted with ODM be conducted by procedures agreed upon by the auditor and ODM, subject to certain continuing requirements.

General provisions

Assistant director

(R.C. 121.05 and 5160.04)

The bill adds an exception to the general requirement that state agencies have only one assistant director, permitting the Medicaid Director to designate up to two assistant directors. It clarifies that if two assistant directors are appointed, the Medicaid Director may designate which assistant director acts as director in the Director's absence or disability or when the position is vacant.

Medicaid coverage of services at outpatient health facilities

(Repealed R.C. 5164.05)

The bill repeals law that requires the Medicaid program to cover comprehensive primary health services provided by “outpatient health facilities.” An outpatient health facility, as defined by the repealed law, is a facility that (1) provides comprehensive primary health services by or under the direction of a physician at least five days per week on a 40-hour per week basis to outpatients, (2) is operated by the board of health of a city or general health district or another public agency or by a nonprofit private agency or organization under the direction and control of a governing board that has no health-related responsibilities other than the direction and control of outpatient health facilities, and (3) receives at least 75% of its operating funds from public sources.

Joint Medicaid Oversight Committee report reduction

(R.C. 5168.90)

Current law requires the Medicaid Director to report to the Joint Medicaid Oversight Committee (JMOC) quarterly regarding the fee rates and aggregate total of fees assessed for the hospital assessment, the nursing home and hospital long-term care unit franchise permit fee, the ICF/IID franchise permit fee, and the health insuring corporation franchise permit fee. The report also must include any rate increases for those fees pending before the U.S. Centers for Medicare and Medicaid Services (CMS). The bill reduces the frequency of this reporting to twice a year.

Obsolete Medicaid waiver repeal

(Repealed 5166.14 (primary) with conforming changes in various other R.C. sections)

The bill repeals the requirement that the Department of Medicaid (ODM) create a Long-Term Services and Support Medicaid waiver component and removes all references to the waiver component, as it was never implemented.

Medicaid eligibility

Medicaid group coverage expansion – Bold Beginnings

(R.C. 5163.06, 5163.062, and 5163.102)

The bill grants Medicaid coverage to a portion of the optional eligibility group consisting of individuals under the age of 65 with incomes above 133% of the federal poverty line (FPL). It specifies that this covered portion of the group consists of (1) pregnant women, (2) children under age 19, and (3) a reasonable classification of children under 19 who were adopted through private agencies. The income threshold for pregnant women and children under 19 is 300% FPL. There is no income eligibility threshold for children under 19 who were adopted through private agencies. Continuing law unchanged by the bill grants Medicaid coverage to (1) pregnant women

with household incomes up to 200% of FPL and (2) insured children with household incomes up to 156% FPL and uninsured children up to 206% FPL.⁵⁸

The bill requires ODM to exercise the presumptive eligibility option for the above-referenced populations. An entity may serve as a qualified entity to conduct those presumptive eligibility determinations if the entity meets requirements established under federal law, requests to act as a qualified entity, and is determined capable of making those determinations by ODM. Presumptive eligibility is a pathway whereby individuals receive immediate Medicaid benefits based on limited information, allowing them to receive services while applying for Medicaid.

Post-COVID Medicaid unwinding

(Section 333.210; repealed R.C. 5163.52)

After the expiration of the federal COVID-19 emergency period,⁵⁹ the bill requires ODM or its designee to use third-party data sources and systems to conduct eligibility redeterminations of all Ohio Medicaid recipients. To the full extent permitted by state and federal law, ODM or its designee must verify Medicaid recipients' enrollment records against third-party data sources and systems, including any other records ODM considers appropriate to strengthen program integrity, reduce costs, and reduce fraud, waste, and abuse in the Medicaid program. These provisions are similar to provisions enacted in the last main operating budget, which required ODM to conduct a redetermination of all Ohio Medicaid recipients within 90 days of the expiration of the federal COVID-19 emergency period, using enumerated sources of information.

Upon the conclusion of the federal COVID-19 emergency period, the bill requires ODM or its designee to conduct an eligibility review of Medicaid recipients based on the recipient's next eligibility review date. ODM must disenroll those Medicaid recipients who are determined to no longer be eligible based on this expedited review, and must oversee the county determinations and administration to ensure timely and accurate compliance with these requirements.

Additionally, 13 months after the federal COVID-19 emergency period expires, the bill requires ODM to complete a report containing its findings from the redetermination, including any findings of fraud, waste, or abuse in the Medicaid program. The last main operating budget required the report to be submitted within six months of the emergency's expiration, and specified additional agencies as recipients.

Additionally, the bill repeals law enacted in the last main operating budget that establish requirements ODM must follow if it receives federal Medicaid funding contingent on a temporary maintenance of effort restriction or otherwise limiting ODM's ability to disenroll ineligible recipients, such as the maintenance of effort requirements under the Families First Coronavirus Response Act (FFCRA).⁶⁰ First, ODM must conduct eligibility redeterminations for the Medicaid

⁵⁸ R.C. 5163.061 and 5161.10; O.A.C. 5160:1-4-04 and 5160:1-4-02(D).

⁵⁹ 42 U.S.C. 1320b-5(g)(1)(B).

⁶⁰ Section 6008, Pub. L. No. 116-127.

program and act on them to the fullest extent permitted by federal law. Second, within 60 days of the end of the restriction, ODM must conduct an audit where it:

- Completes and acts on eligibility redeterminations for all recipients who have not had a redetermination in the last 12 months;
- Requests approval from the U.S. Centers for Medicare and Medicaid Services (CMS) to conduct eligibility redeterminations for each recipient enrolled for at least three months during the restriction; and
- Submits a report summarizing the results to the Speaker of the House and Senate President.

Unwinding the federal maintenance of effort requirements

The FFCRA granted states a 6.2% point increase in federal matching funds during the federal COVID-19 public health emergency (referred to as the enhanced FMAP). As a condition of that increase, states were required to provide continuous Medicaid coverage to Medicaid beneficiaries enrolled at the beginning of the public health emergency. The Consolidated Appropriations Act, 2023,⁶¹ signed by President Biden on December 29, 2022, decouples the continuous coverage requirement from the COVID-19 public health emergency. Under that act, the federal matching rate increases begin to phase out on April 1, 2023, and will be fully eliminated by December 31, 2023. The continuous coverage requirement also ends on April 1, 2023. States have up to one year to initiate all Medicaid renewals, and must conduct those renewals in accordance with federal requirements, which include some temporary flexibilities intended to smooth the unwinding process. The public health emergency is scheduled to end on May 11, 2023.

Restoration of Medicaid eligibility determinations

(Section 333.220)

The bill excepts provider rate increases and the per member unwinding impact identified by the JMOC actuary from the Medicaid reforms required under continuing law. According to the bill, this exception is due to unprecedented and extraordinary inflationary pressures within the economy that are adversely impacting Medicaid providers resulting from the federal COVID-19 emergency declaration, and due to expected increases in per member costs associated with restoring eligibility operations in the Medicaid program after the maintenance of effort requirements and the reduction in federal financial participation under the federal Consolidated Appropriations Act, 2023.

⁶¹ Pub. L. No. 117-164.

Medicaid providers

Interest on payments to providers

(R.C. 5164.35 and 5164.60)

The bill limits the time frame when interest is assessed against a Medicaid provider (1) that willingly or by deception received overpayments or unearned payments or (2) that receives an overpayment without intent, to the time period determined by ODM, but not exceeding the time period from the payment date until the repayment date. Current law permits the imposition of interest for the time period from the payment date until the repayment date.

Provider penalties

(R.C. 5164.35)

The bill clarifies that when a Medicaid provider agreement is terminated due to the provider engaging in prohibited activities, the provider may not provide Medicaid services *on behalf of* any other Medicaid provider, instead of to any other Medicaid provider.

Suspension of Medicaid provider agreements and payments

(R.C. 5164.36)

The bill revises the law governing the suspension of Medicaid provider agreements when there are credible allegations of fraud or disqualifying indictments against Medicaid providers or their officers, agents, or owners in all of the following ways. First, the bill prohibits ODM from suspending a provider agreement or Medicaid payments if the provider or owner can demonstrate good cause. The bill directs ODM to specify by rule what constitutes good cause as well as the information, documents, or other evidence that must be submitted as part of a good cause demonstration.

Second, the bill maintains the law prohibiting ODM from suspending a provider agreement or Medicaid payments if the provider or owner can demonstrate, by written evidence, that the provider or owner did not sanction the action of an agent or employee resulting in a credible allegation of fraud or disqualifying indictment. Under the bill, ODM must grant the provider or owner – before suspension – an opportunity to submit the written evidence. The bill also eliminates law allowing a Medicaid provider or owner, when requesting ODM to reconsider its suspension, to submit documents pertaining to whether the provider or owner can demonstrate that it did not sanction the agent’s or employee’s action resulting in a credible allegation of fraud or disqualifying indictment.

Third, the bill adds two other circumstances to the existing two circumstances until which the suspension of a provider agreement may continue – the provider (1) pays in full fines and debts it owes ODM and (2) no longer has certain civil actions pending against it. The bill requires the suspension to continue until the latest of the four circumstances occurs.

Fourth, when, under current law, a provider or owner requests ODM to reconsider a suspension, the bill eliminates the requirement that ODM complete not later than 45 days after receiving documents in support of a reconsideration both of the following actions: (1) reviewing the documents and (2) notifying the provider or owner of the results of the review.

Criminal records checks

(R.C. 5164.34, 5164.341, and 5164.342)

The bill revises the law governing the availability of criminal records check reports for Medicaid providers, independent providers, and waiver agencies and their employees. Current law specifies that the reports are not public records and prohibits making them available to any person, with certain limited exceptions.

In the case of a waiver agency, the bill authorizes a report of an employee's criminal records check to be made available to a court, hearing officer, or other necessary individual involved in a case or administrative hearing dealing with a denial, suspension, or termination of a Medicaid provider agreement.

With respect to a Medicaid provider or independent provider, the bill authorizes a report of an employee's or provider's criminal records check to be made available to a court, hearing officer, or other necessary individual involved in a case or administrative hearing dealing with a provider agreement suspension. Current law already authorizes such a report to be made available to the court, hearing officer, or other necessary individual in a case involving a denial or termination of a provider agreement.

The bill further authorizes a criminal records check report to be introduced as evidence at an administrative hearing concerning a provider agreement denial, suspension, or termination. If admitted, the bill specifies that the report becomes part of the hearing record. It also requires such a report to be admitted only under seal and specifies that the report maintains its status as not a public record.

Programs

Voluntary community engagement program

(Section 333.190; R.C. 5166.37, not in the bill)

As a result of the COVID-19 public health emergency, H.B. 110 of the 134th General Assembly required the Medicaid Director to establish and implement a voluntary community engagement program by January 1, 2022, and operate the program for the FY 2022-FY 2023 biennium. The bill extends the program through the FY 2024-FY 2025 biennium.

The program is voluntary and available to all medical assistance recipients (individuals enrolled or enrolling in Medicaid, CHIP, the refugee medical assistance program, or other medical assistance program ODM administers). The program must:

- Encourage medical assistance recipients who are of working age and able-bodied to work;
- Promote the economic stability, financial independence, and improved health incomes from work; and
- Provide information about program services, including an explanation of the importance of work to overall physical and mental health.

As part of the program, the Director must explore partnerships with education and training providers to increase training opportunities for Medicaid recipients. The program is to

continue through the FY 2024-FY 2025 biennium, or until ODM is able to implement the Work Requirement and Community Engagement Section 1115 Demonstration waiver, whichever is sooner. Note that CMS withdrew its approval for this waiver in August 2021.⁶²

Care Innovation and Community Improvement Program

(Section 333.60)

The bill requires the Medicaid Director to continue the Care Innovation and Community Improvement Program for the FY 2024-FY 2025 biennium. The Director was originally required to establish it for the FY 2018-FY 2019 biennium.⁶³

Any nonprofit hospital agency affiliated with a state university and any public hospital agency may volunteer to participate in the program if the hospital has a Medicaid provider agreement. The agencies that participate are responsible for the state share of the program's costs and must make or request that appropriate government entity to make intergovernmental transfers to pay for the costs. The Director must establish a schedule for making the transfers.

The bill requires each participating hospital agency to jointly participate in quality improvement initiatives that align with and advance the goals of ODM's quality strategy.

Under the program, each participating hospital agency receives supplemental Medicaid payments for physician and other professional services that are covered by Medicaid and provided to Medicaid recipients. The payments must equal the difference between the Medicaid rate and the average commercial payment rates for the services. The Director may terminate, or adjust the amount of, the payments if funding for the program is inadequate.

The Director must maintain a process to evaluate the work done under the program by nonprofit and public hospital agencies and their progress in meeting the program's goals. The Director may terminate a hospital agency's participation if the Director determines that it is not participating in required quality improvement initiatives or making progress in meeting the program's goals.

The bill does not include the requirement that existed in the prior budget that, not later than December 31 of each year, the Director must submit a report to the Speaker of the House, the Senate President, and JMOC that details the efficacy, trends, outcomes, and number of hospital agencies enrolled in the program.

All intergovernmental transfers made under the program must be deposited into the existing Care Innovation and Community Improvement Program Fund. Money in the fund and the corresponding federal funds must continue to be used to make the supplemental payments to hospital agencies under the program.

⁶² [CMS letter \(PDF\)](#), August 10, 2021, also available by conducting a keyword search for that date on CMS' website: www.medicaid.gov.

⁶³ Section 333.320 of H.B. 49 of the 132nd General Assembly, Section 333.220 of H.B. 166 of the 133rd General Assembly, and Section 333.60 of H.B. 110 of the 134th General Assembly.

Ohio Invests in Improvements for Priority Populations

(Section 333.170)

The bill continues the Ohio Invests in Improvements for Priority Populations Program as a directed payment program for inpatient and outpatient hospital services provided to Medicaid managed care recipients receiving care at state university-owned hospitals with fewer than 300 inpatient beds.

Under the program, participating hospitals receive payments directly (instead of through the contracted Medicaid MCO) for inpatient and outpatient hospital services provided under the program and remit to ODM the nonfederal share of payment for those services. The hospital must pay ODM through intergovernmental transfer. Funds transferred under the program must be deposited into the Hospital Directed Payment Fund.

In general, under federal law, states are prohibited from (1) directing Medicaid MCO expenditures or (2) making payments directly to providers for Medicaid MCO services (“directed payments”) unless permitted under federal law or subject to federal authorization.⁶⁴ Therefore, the bill requires the Medicaid Director to seek approval from CMS to operate the program.

Physician directed payment program

(Section 333.260)

The bill also permits the Medicaid Director to seek approval from CMS to establish one or more physician directed payment programs for directed payments for nonpublic hospitals and the related health systems. The programs must advance the maternal and child health goals of ODM’s quality strategy.

Under the program, participating hospitals receive payment directly for physician services provided to enrollees and remit to ODM the nonfederal share of those services through intergovernmental transfer. The directed payments may equal up to the average commercial level for participating health systems for physician and other covered professional services provided to Medicaid MCO enrollees. Eligible public entities may transfer funds to be used for the directed payments through intergovernmental transfer into the Health Care/Medicaid Support and Recoveries Fund.

Under the programs, ODM may only make directed payments to the extent local funds are available for the nonfederal share of the cost for the services. If receipts credited to the program exceed the available amounts in the fund, the Director can adjust the directed payment amounts or terminate the program.

⁶⁴ Centers for Medicare and Medicaid Services, [Letter Re: Additional Guidance on State Directed Payments in Medicaid Managed Care \(PDF\)](#), January 8, 2021, available at [medicaid.gov](https://www.medicare.gov).

Medicaid payment rates

Payment rates for community behavioral health services

(Section 333.140)

The bill permits ODM to establish Medicaid payment rates for community behavioral health services provided during FY 2024 and FY 2025 that exceed the Medicare rates for those services. This authorization does not apply to those services provided by hospitals on an inpatient basis, nursing facilities, or ICFs/IID.

Competitive wages for direct care workforce

(Section 333.230)

The bill includes funding from ODM, in collaboration with the Departments of Developmental Disabilities and Aging, to be used for provider rate increases, in response to the adverse impact experienced by direct care providers as a result of the COVID-19 pandemic and inflationary pressures. The bill requires the provider rate increases be used to increase wages and workforce supports to ensure workforce stability and greater access to care for Medicaid recipients.

Assisted Living program payment rates

(Section 333.240)

The bill permits ODM, in consultation with the Department of Aging, to establish an assisted living services base payment rate for residential care facilities (commonly known as “assisted living” facilities) participating in the Medicaid-funded component of the Assisted Living program.

The bill also permits ODM, in consultation with the Department of Aging, to establish an assisted living memory care service payment rate for such facilities. That payment rate must be based on additional costs that a provider may incur from serving individuals with dementia, and any other additional factors determined by the departments. It is only available to providers with a direct care staff to resident ratio that is at least 20% higher for individuals with dementia than for individuals without. The departments may adopt rules to incorporate workforce, performance, training, and other quality indicators into the payment rate.

The bill permits the departments to adopt rules establishing additional requirements related to person-centered service planning and facility design.

Medicaid MCO credentialing

(Repealed R.C. 5167.102 and 5167.12)

The bill repeals law that requires ODM to permit Medicaid MCOs to create a credentialing process for providers, because ODM is now credentialing Medicaid providers instead of Medicaid MCOs. As a conforming change, the bill modifies language that prohibits a Medicaid MCO from imposing a prior authorization requirement on certain antidepressant or antipsychotic drugs that are prescribed by a physician credentialed by the Medicaid MCO to instead refer to a physician who has registered with ODM.

Nursing facilities

Special Focus Facility Program

(R.C. 5165.771)

The bill makes changes to the law regarding the federal Special Focus Facility (SFF) Program to align with federal changes to the program. First, the bill references standard health surveys, which, under the federal changes, are comprehensive on-site inspections conducted every six months by the state nursing facility licensing agency on behalf of CMS. The bill replaces references to the old SFF tables and instead requires ODM to terminate a nursing facility's participation in the Medicaid program if it has not graduated from the SFF program after two standard health surveys, instead of based on the time the facility is listed in SFF tables.

Second, the bill prohibits a nursing facility from appealing to ODM an ODM order terminating the facility's participation in the Medicaid program if the appeal challenges (1) standard health findings under the SFF program or (2) a CMS determination to terminate the nursing facility's participation in the Medicare or Medicaid program. Instead, the appeals must be brought to (1) the Department of Health or (2) CMS, respectively.

Nursing facility case-mix scores

(R.C. 5165.01, 5165.152, and 5165.192)

The bill updates the formula and terminology used to calculate nursing facility case-mix scores to correspond to a new federal model. Effective October 1, 2019, CMS implemented a new payment model for nursing homes under the Medicare and Medicaid programs. The model, referred to as the Patient Driven Payment Model, consists of case-mix adjusted components (relative resources needed to provide care and habilitation to residents).

The bill updates nursing facility terminology to accord with the new federal model. Specifically, the bill (1) removes from the case-mix calculation language adjusting case-mix values based on Ohio wage differentials, establishing a hierarchy for case-mix categories, and permitting the case-mix calculation to include an index maximizer element and (2) updates terminology relating to nursing facility case-mix scores from "low resource utilization resident" to "low case-mix resident."

Debt summary reports; CMS debts related to exiting operators

(R.C. 5165.52, 5165.521, 5165.525, 5165.526, and 5165.528)

The bill makes several changes related to exiting operators of nursing facilities and various related duties of ODM. Regarding a requirement that ODM determine the actual amount of debt an exiting operator owes ODM, the bill requires ODM to issue a final debt summary report. This is in place of existing law under which an initial or revised debt summary report may automatically become the final debt summary report.

Also regarding exiting operators, the bill eliminates the following provisions related to debts an operator owes to CMS:

- A requirement that ODM determine other actual and potential debts the exiting operator owes or may owe to CMS;
- Authorization for ODM to withhold from a payment due to an exiting operator the total amount the exiting operator owes or may owe to CMS;
- A requirement that ODM determine the actual amount of debt an exiting operator owes to CMS by completing all final fiscal audits not already completed and performing other appropriate actions;
- Regarding releasing amounts withheld from an exiting operator, authorization for ODM to deduct any amount an exiting operator owes CMS;
- Authorization for moneys in the Medicaid Payment Withholding Fund to be used to pay CMS amounts an exiting operator owes CMS under Medicaid.

All of the above-described provisions are retained as they relate to debt owed to ODM under current law, and eliminated only with regard to debt owed to CMS. The bill, however, eliminates law expressly requiring ODM's debt estimate methodology to address any final civil monetary and other penalties.

Nursing facility field audit manual and program

(R.C. 5165.109)

ODM may conduct audits for any cost reports filed as either an annual cost report by a nursing home or by an exiting operator of a nursing home. The bill removes the requirement that ODM establish a program and publish a manual for those audits conducted in the field. Instead, the bill specifies general parameters for field audit procedures. Specifically, ODM must develop an audit plan before the audit begins for any audits it conducts, but the scope of the audit may change during its course based on the observations and findings. Field audits conducted by an auditor under contract with ODM must be conducted by procedures agreed upon between ODM and the auditor.

The bill eliminates the requirements, as part of the eliminated field manual, that all auditors conducting field audits:

- Comply with federal Medicare and Medicaid law;
- Consider standards prescribed by the American Institute of Certified Public Accountants;
- Include a written summary with each audit about whether cost report that is the subject of the audit complied with state and federal laws and the reported allowable costs were documented, reported, and related to patient care;
- Completed each audit within a time period specified by ODM; and
- Provide to the nursing home provider written information about the audit's scope and ODM's policies, including examples of allowable cost calculation.

DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES

Certification of addiction and mental health services

- Authorizes the Ohio Department of Mental Health and Addiction Services (OhioMHAS) to specify by rule the mental health services and alcohol and drug addiction services that must be certified, makes failing to meet the certification requirement a crime, and eliminates a statutory list of specific types of alcohol and drug addiction services that must be certified by OhioMHAS.
- Eliminates an option to have a provider's certifiable services and supports accredited by a national accrediting organization in lieu of having OhioMHAS determine whether OhioMHAS's standards for certification have been satisfied; instead, requires providers to hold national accreditation as part of qualifying for certification by OhioMHAS.
- Establishes, in addition to the accreditation requirement, both of the following as conditions for certification: that an applicant (1) be adequately staffed and equipped to operate and (2) be in good standing.

Statistics supplied by providers

- Eliminates a criminal penalty for failure of a community addiction services provider or community mental health services provider to supply statistics and other information to OhioMHAS; instead, authorizes imposition of fines.

Conditions of licensure – hospitals and residential facilities

- Establishes the following as conditions for hospital and residential facility licensure by OhioMHAS: that an applicant (1) be adequately staffed and equipped to operate and (2) be in good standing.
- Requires OhioMHAS to adopt rules specifying the information that must be submitted to demonstrate good standing.

Residential facility exemption from home health licensure

- Exempts from existing home health licensing requirements a residential facility that is licensed by OhioMHAS.

Residential facility criminal penalty

- Makes it a fourth degree misdemeanor for a person to operate a residential facility without a valid license issued by OhioMHAS.

Monitoring of recovery housing residences

- Requires OhioMHAS to monitor the operation of recovery housing residences by either establishing a certification process through OhioMHAS or accepting accreditation, or its equivalent, from outside organizations specified in the bill.

- Beginning January 1, 2025, prohibits the operation of a recovery housing residence unless the residence is certified or accredited, as applicable, or actively in the process of obtaining certification or accreditation.
- Makes violation of the prohibition a first degree misdemeanor.
- Requires OhioMHAS to establish and maintain a registry of recovery housing residences.

Terminology regarding alcohol use disorder

- Replaces Revised Code references to “alcoholism” with “alcohol use disorder”; eliminates references to “alcoholic.”
- Repeals an obsolete statute referring to alcohol treatment and control regions, which were abolished in 1990.

Indigent drivers alcohol treatment funds

- Allows a court to spend any money in a county indigent drivers alcohol treatment fund (IDATF), county juvenile IDATF, or municipal IDATF, rather than only surplus money, for certain expenses related to substance abuse disorder (SUD) assessments and addiction services for criminal offenders whose substance abuse was a contributing factor to an offense.
- Retains a court’s authority to spend money from a county, county juvenile, or municipal IDATF to pay for SUD services and assessments for indigent persons and indigent juvenile traffic offenders convicted of OVI (operating a vehicle while impaired).
- Adds recovery supports as one of the services that may be funded for offenders specified above.
- Eliminates a requirement that a reasonable amount (no more than 5%) of a county, county juvenile, or municipal IDATF must be paid to the alcohol, drug addiction, and mental health services (ADAMHS) board for administering treatment programs.
- Eliminates a requirement that courts identify and refer noncertified community addiction services providers seeking surplus funding from an IDATF and associated referral procedures and requirements.
- Does both of the following regarding the required annual reporting concerning IDATF funds:
 - Requires each court to annually report certain IDATF information (including fund balances and the number of indigent persons served) to the ADAMHS board, rather than requiring the board to prepare the report and submit it to OhioMHAS.
 - Requires ADAMHS boards to compile the IDATF information from each court into an annual report and submit it to OhioMHAS.

Behavioral health drug reimbursement program

- Combines two drug reimbursement programs administered by OhioMHAS into one behavioral health drug reimbursement program.
- Expands the new combined program to provide reimbursement for certain drugs that are administered or dispensed to individuals who are confined in community-based correctional facilities, in addition to continuing reimbursement for drugs administered or dispensed to inmates of county jails.

Substance use disorder treatment in drug courts

- Continues an OhioMHAS program to provide addiction treatment to persons with substance use disorders through drug courts with programs using medication-assisted treatment.
- Requires community addiction services providers to provide specified treatment to the program participants based on the individual needs of each participant.

Mobile-based opioid use disorder treatment

- Requires OhioMHAS, during FY 2024 and FY 2025, to operate a pilot program to provide opioid use disorder treatment to individuals in underserved regions in Ohio using mobile medication units.

Mental health crisis stabilization centers

- Continues the requirement that ADAMHS boards establish and administer, in collaboration with the other ADAMHS boards that serve the same state psychiatric hospital region, six mental health crisis stabilization centers and substance use disorder stabilization centers.

Certification of addiction and mental health services

(R.C. 5119.35 and 5119.36; repealed R.C. 5119.361; conforming change in R.C. 5119.99)

Services that must be certified

In the case of mental health services, current law does not directly require the services to be certified by the state, and in the case of addiction services, only a specific set of services are subject to direct certification requirements with criminal penalties for failing to comply. Instead, current law bases the certification of “certifiable services and supports” on eligibility for government funding. These certifiable services and supports are described as mental health services, alcohol and drug addiction services, and the types of recovery supports specified in rules adopted by the Director of the Ohio Department of Mental Health and Addiction Services (OhioMHAS). The government funds involved are described as state funds, federal funds, or funds administered by an alcohol, drug addiction, and mental health services (ADAMHS) board.

In place of the existing enforcement system for certification of services, the bill requires a person or government entity, as a condition of providing a mental health service or alcohol and

drug addiction service, to have the service certified by OhioMHAS if the Director has adopted rules specifying it as a service that must be certified. Adoption of the rules is permissive. Providing an uncertified service is a felony of the fifth degree.

As part of authorizing the OhioMHAS Director to adopt rules specifying services that are subject to certification, the bill eliminates a statutory list of alcohol and drug addiction services that must be certified by OhioMHAS. The eliminated list consists of:

- Withdrawal management addiction services provided in a setting other than an acute care hospital;
- Addiction services provided in a residential treatment setting;
- Addiction services provided on an outpatient basis.

The bill maintains, with modifications, law establishing certification as a condition of eligibility for federal or state funds or funds administered by an ADAMHS board. It specifies that this limitation is in addition to criminal penalties for violating the bill's certification requirement.

Any rules the OhioMHAS Director adopts to specify services that are required to be certified must be adopted in accordance with the Administrative Procedure Act (R.C. Chapter 119). The bill exempts the rules from limitations in existing law related to the adoption of regulatory restrictions in rules.⁶⁵

Standards for certification

Accreditation required

The bill eliminates an option to have a provider's certifiable services and supports accredited by a national accrediting organization in lieu of having OhioMHAS determine whether its standards for certification have been satisfied. Instead, the bill requires providers to hold national accreditation as part of qualifying for certification by OhioMHAS. The bill specifies that OhioMHAS' certification standards apply to both initial certification and certification renewal.

Instead of requiring the OhioMHAS Director to evaluate applicants to determine whether the applicant's certifiable services and supports satisfy the standards established by rules, the Director must determine whether the applicant meets the following:

- For an initial applicant, the applicant must be accredited by one of the following: the Joint Commission, the Commission on Accreditation of Rehabilitation Facilities, the Council on Accreditation, or any other national accrediting organization the Director considers appropriate. Under current law, accreditation is not required but is an option the Director must accept in lieu of determining if the applicant meets OhioMHAS standards for certification.

⁶⁵ R.C. 121.95 to 121.953, not in the bill.

- For a renewal applicant, beginning October 1, 2025, the applicant must be accredited by one of the organizations identified above. Prior to that date, for the Director may follow current law to evaluate renewal applicants.
- For an initial applicant and a renewal applicant, in addition to being accredited, the applicant must meet both of the following:
 - The applicant and all owners and principals of the applicant must be in good standing in Ohio and all other locations in which the applicant operates during the three-year period immediately preceding the date of application, based on a review of records and information required to be submitted as specified in rules;
 - The applicant must be adequately staffed and equipped to provide services.

If the OhioMHAS Director determines that the applicant has paid any required certification fee (exemptions may apply for reasons specified by rule), that the applicant's accreditation is appropriate for the services and supports for which the applicant seeks initial or renewed certification, that the applicant is in good standing and adequately staffed and equipped as described above, and that the applicant meets any other requirements established by this section or rules, the Director must certify the services and supports or renew certification, as applicable. Subject to the on-site review authority described below, the Director must issue or renew the certification without further evaluation of the services and supports.

Review of accrediting organizations

The OhioMHAS Director may review the accrediting organizations specified above to evaluate whether the accreditation standards and processes used by the organizations are consistent with service delivery models the Director considers appropriate. The Director may communicate to an accrediting organization any identified concerns, trends, needs, and recommendations.

On-site review

The bill authorizes the OhioMHAS Director to conduct an on-site review or otherwise evaluate a community mental health services provider or community addiction services provider at any time based on cause, including complaints by or on behalf of persons receiving services and confirmed or alleged deficiencies brought to the Director's attention. An on-site review may be done in cooperation with an ADAMHS board that seeks to contract or has a contract with the applicant under law related to the board's community-based continuum of care. Any other evaluation must be in cooperation with such a board.

Information provided to Director

The OhioMHAS Director must require a community mental health services provider and a community addiction services provider to notify the Director not later than ten days after any change in the provider's accreditation status.

The Director may require a provider to submit cost reports pertaining to the provider.

Rules

Under existing law, the OhioMHAS Director is required to adopt various rules relating to certification. The bill exempts all those rules from limitations in existing law related to the adoption of regulatory restrictions in rules.⁶⁶ In addition to all of the existing rules that must be adopted, the bill requires rules related to the following:

- Documentation that must be submitted as evidence of holding an appropriate accreditation;
- A process by which the Director may review the accreditation standards and processes used by the national accrediting organizations specified under the bill;
- Any reasons for which an applicant may be exempt from certification and renewal fees;
- Establishing a process by which the Director, based on deficiencies identified as a result of conducting an on-site review or otherwise evaluating a service provider, may take any range of correction actions, including revocation of the provider's certification;
- Specifying the records and information that must be submitted to demonstrate good standing for purposes of the certification requirement described above.

Statistics supplied by providers

(R.C. 5119.61 and 5119.99)

Related to a current law requirement that community addiction services providers and community mental health services providers supply, upon request of OhioMHAS, statistics and other information related to services provided, the bill eliminates a criminal penalty (fourth degree misdemeanor) for failure to supply those statistics.

Instead, the bill authorizes the OhioMHAS Director to fine a provider for a statistics violation. In determining whether to impose a fine, the Director must consider whether the provider has engaged in a pattern of noncompliance. The fines are \$1,000 for the first violation and \$2,000 for each subsequent violation. The Director must comply with the Administrative Procedure Act (R.C. Chapter 119) in imposing fines.

Conditions of licensure – hospitals and residential facilities

(R.C. 5119.33 and 5119.34)

The bill establishes two conditions that must be met for hospital or residential facility licensure by OhioMHAS. First, an applicant must be adequately staffed and equipped to operate. In the case of a residential facility, the bill also requires that it be managed and operated by qualified persons, which is already required of a hospital under current law.

Second, an applicant must be in good standing in all other locations in which it operates during the three-year period preceding the date of application. The bill neither defines nor

⁶⁶ R.C. 121.95 to 121.953, not in the bill.

describes good standing, instead requiring OhioMHAS to adopt rules specifying the records and information that must be submitted to demonstrate it.

As part of requiring a residential facility applicant to be in good standing for at least three years, the bill eliminates a related provision of law that generally limits an applicant's eligibility for only two years after a previous license has been revoked or refused for renewal. Existing law does not provide for such a limit for hospital applicants.

Residential facility exemption from home health licensure

(R.C. 3740.01)

The bill exempts residential facilities that are licensed by OhioMHAS from licensure by the Ohio Department of Health (ODH) under the home health licensing law. It does so by specifying that an OhioMHAS-licensed residential facility is not a home health agency and a person who operates an OhioMHAS-licensed residential facility on a self-employed basis is not a nonagency provider. Other exemptions in existing law that are continued include exemptions for residential facilities licensed by the Department of Developmental Disabilities and nursing homes and residential care facilities licensed by ODH.

Residential facility criminal penalty

(R.C. 5119.99)

The bill makes it a fourth degree misdemeanor for a person to operate a residential facility without a valid license issued by OhioMHAS. This is in addition to other existing authority for OhioMHAS to fine a residential facility and seek a court order enjoining a facility's operation.⁶⁷

Monitoring of recovery housing residences

(R.C. 5119.39 to 5119.397 and 5119.99 (primary) and 340.034; related changes in other sections)

The bill requires OhioMHAS to monitor the operation of recovery housing residences by either (1) certifying them or (2) accepting accreditation, or its equivalent, from the Ohio affiliate of the National Alliance for Recovery Residences, Oxford House, Inc., or another organization designated by OhioMHAS.

The bill defines "recovery housing residence" as a residence for individuals recovering from alcohol use disorder or drug addiction that provides an alcohol and drug-free living environment, peer support, assistance with obtaining alcohol and drug addiction services, and other recovery assistance for alcohol use disorder and drug addiction. Under existing law, recovery housing is generally regulated only to the extent that it is required to be included in the community-based continuum of care established by ADAMHS boards. The bill modifies that law by requiring recovery housing residences in the continuum of care to be certified or accredited, as applicable, under the bill.

⁶⁷ R.C. 5119.34.

Prohibitions

The bill prohibits, beginning January 1, 2025, a person or government entity from operating a recovery housing residence unless the residence is (1) certified by OhioMHAS or accredited by one of the organizations identified above, as applicable, or (2) actively engaged in efforts to obtain certification or accreditation and has been in operation for not more than 18 months. Violation of this prohibition is a first degree misdemeanor. The bill permits the OhioMHAS Director to seek a court order enjoining operation of any recovery housing residence in violation of the prohibition.

Also beginning January 1, 2025, the bill prohibits:

- A person or government entity from advertising or representing a residence or building to be a recovery housing residence, sober living home, or similar substance free housing for individuals in recovery unless the residence is on the registry described below or is regulated by the Department of Rehabilitation and Correction as a halfway house or community residential center. A violation is a first degree misdemeanor.
- A community addiction services provider or community mental health services provider from referring clients to a recovery housing residence unless it is on the registry described below on the date of the referral. There is not a criminal penalty associated with this prohibition, but the OhioMHAS Director may refuse to renew or revoke its certification of a provider found to be in violation of this prohibition.

Required form

The bill requires each person or government entity that will operate a recovery housing residence, including those already operating prior to the bill's effective date, to file with OhioMHAS a form with various information, including name and contact information, the date the recovery housing residence was first occupied or will be occupied, and information related to any existing accreditation the residence has or is in the process of obtaining.

For any recovery housing residence that is operating before the bill's effective date, the form must be filed within 30 days of the bill's effective date. For a recovery housing residence that will begin operating on or after the bill's effective date, the form must be filed within 30 days after the first resident begins occupying the residence.

Complaints and investigations

The bill requires OhioMHAS to establish a procedure to receive and investigate complaints from residents, staff, and the public regarding recovery housing residences. OhioMHAS may contract with one or more of the organizations identified above to fulfill some or all of the complaint and investigation procedure. Any such organization under contract must make investigation status reports to OhioMHAS regarding investigations. The reports must be made monthly. In addition, the contractor must report to OhioMHAS if the contractor makes an adverse decision regarding an accreditation accepted by OhioMHAS. The report must be made as soon as practicable, but not later than ten days after the adverse decision is made.

Registry of recovery housing residences

OhioMHAS must establish and maintain a registry of recovery housing residences that are certified or accredited or are making efforts to obtain certification or accreditation within the bill's permitted timeframe. The registry must include information from the form described above, information regarding any complaints, and any other information required by OhioMHAS. The registry must be available on OhioMHAS's website.

Rules

The bill authorizes the OhioMHAS Director to adopt rules to implement its monitoring of recovery housing residences. If OhioMHAS certifies recovery housing residences, the rules must establish requirements for initial certification and renewal, as well as grounds and procedures for disciplinary action.

The rules must be adopted in accordance with the Administrative Procedure Act (R.C. Chapter 119). The bill exempts the rules from limitations in the law related to the adoption of regulatory restrictions in rules.⁶⁸

Terminology regarding alcohol use disorder

(R.C. 5119.01 with conforming changes in other sections; repealed R.C. 3720.041)

The bill replaces Revised Code references to "alcoholism" with "alcohol use disorder." It also eliminates references to "alcoholic." The bill defines alcohol use disorder as a medical condition characterized by an individual's impaired ability to stop or control the individual's alcohol use despite adverse social, occupational, or health consequences. It may be mild, moderate, or severe.

The bill repeals an obsolete statute referring to alcohol treatment and control regions, which no longer exist. These regions were abolished in 1990 when the current system of ADAMHS boards and districts was established and the former Department of Alcohol and Drug Addiction Services was created.

Indigent drivers alcohol treatment funds

(R.C. 4510.43, 4510.45, and 4511.191)

The bill allows a court to spend any money in a county Indigent Drivers Alcohol Treatment Fund (IDATF), county juvenile IDATF, or municipal IDATF for both of the following:

1. Regarding a county or municipal IDATF, to pay the cost of substance use disorder (SUD) assessments and addiction services, and transportation to those assessments and services, for any indigent person convicted of a criminal offense in which substance abuse was a contributing factor; and

⁶⁸ R.C. 121.95 to 121.953, not in the bill.

2. Regarding a county juvenile IDATF, to pay the costs of those assessments and services for any indigent person adjudicated a delinquent child or found to be a juvenile traffic offender when substance abuse was a contributing factor.

Under current law, the money in IDATF funds is derived from driver's license reinstatement fees paid by OVI (operating a vehicle while impaired) offenders. Under current law, a court must determine, in consultation with the ADAMHS board, that there is a surplus in the applicable fund and may then only spend that surplus money for the purposes specified above. However, a court may spend any money from a county, county juvenile, or municipal IDATF to pay for SUD services and assessments for indigent persons and indigent juvenile traffic offenders convicted of OVI and substantially equivalent municipal ordinances. The bill retains this authority.

The bill authorizes a court to pay the cost of recovery supports from an IDATF for any of the types of offenders discussed above. Under current law, recovery supports is assistance that is intended to help an individual who is an alcoholic or has a drug addiction or mental illness, or a member of such an individual's family. The assistance is intended to initiate and sustain the individual's recovery from alcoholism, drug addiction, or mental illness. Currently, the law does not specifically authorize money in an IDATF to be spent on recovery supports.

Consistent with the bill's elimination of the surplus spending requirements and expanded spending authority, the bill eliminates both of the following:

1. A requirement that a reasonable amount (no more than 5%) of a county, county juvenile, or municipal IDATF must be paid to the ADAMHS board for administering treatment programs;

2. A requirement that courts identify and refer noncertified community addiction services providers seeking surplus funding from an IDATF to OhioMHAS and associated referral procedures and requirements.

The associated referral procedures in current law specify that OhioMHAS must keep records of the noncertified applicant referrals from the court and submit an annual report regarding them to the General Assembly. If a noncertified provider is interested in becoming certified and applies to become certified, it may receive surplus funds so long as an application is pending with OhioMHAS. OhioMHAS must offer technical assistance to the applicant. If the provider withdraws the application, OhioMHAS must notify the court and the provider cannot receive any further surplus funding. As noted above, the bill eliminates these procedures and requirements.

The bill requires each court with an IDATF to annually report certain information to the ADAMHS board by July 15. That information must include:

1. The balance of funds in each IDATF under the court's control on June 30 of that year;

2. The amount the court transferred from each IDATF to another court in the same county;

3. The amount the court spent in the state fiscal year that ended on June 30 that year from each IDATF; and

4. The number of indigent persons served in the state fiscal year that ended on June 30 that year from each IDATF.

Then, each ADAMHS board must compile the information into an annual report for that board's area that clearly delineates the items specified above for each court. The board must submit it to OhioMHAS by September 1 of each year. If a board is unable to get adequate information from a particular court, it must note that fact in the report.

Under current law, each ADAMHS board must instead submit the annual report for each IDATF in that board's area to OhioMHAS. That report must include:

1. The total payment made from the IDATF, including the number of indigent consumers who received treatment services, the number of indigent consumers who received an alcohol monitoring device, and identification of the treatment program and expenditure for an alcohol monitoring device for which that payment was made;

2. The fiscal year balance of each IDATF located in that board's area; and

3. If a surplus was declared, the total payment that was made from the surplus moneys and identification of the authorized purpose for which the payment was made.

If a board is unable to get adequate information to develop the report, it must submit a report detailing the efforts made to get that information.

Behavioral health drug reimbursement program

(R.C. 5119.19; repealed R.C. 5119.191)

The bill combines a psychotropic drug reimbursement program with another drug reimbursement program that is for drugs used in medication-assisted treatment (MAT) and drugs used in withdrawal management or detoxification. The combined program, still to be administered by OhioMHAS, is referred to as a "behavioral health drug reimbursement program."

Similar to current law for the separate programs, the combined behavioral health drug reimbursement program reimburses counties for the cost of certain drugs administered or dispensed to inmates of county jails. The reimbursable drugs continue to be psychotropic drugs, drugs used in MAT, and drugs used in withdrawal management or detoxification. The combined program is more expansive than current law in that it also provides reimbursement for drugs administered or dispensed to individuals confined in community-based correctional facilities, but only for MAT drugs and drugs used in withdrawal management or detoxification (that is, psychotropic drugs are excluded). Other details of the combined program are the same as those for each separate program under current law.

Substance use disorder treatment in drug courts

(Section 337.60)

The bill continues a requirement that OhioMHAS conduct a program to provide substance use disorder (SUD) treatment, including MAT, withdrawal management and detoxification, and recovery supports, to persons who are eligible to participate in a MAT drug court program.

OhioMHAS's program is to be conducted in a manner similar to programs that were established and funded by the previous four main appropriations acts.

In conducting the program, OhioMHAS must collaborate with the Ohio Supreme Court, the Department of Rehabilitation and Correction, and any state agency that may be of assistance in accomplishing the program's objectives. OhioMHAS also may collaborate with the local ADAMHS boards and local law enforcement agencies serving the county where a participating court is located.

OhioMHAS must conduct its program in collaboration with any counties in Ohio that are conducting MAT drug court programs. It also may conduct its program in collaboration with any other court with a MAT drug court program.

Selection of participants

A MAT drug court program must select the participants for OhioMHAS's program. The participants are to be selected because of having a SUD. Those who are selected must be either (1) criminal offenders, including offenders under community control sanctions, or (2) involved in a drug or family dependency court. They must meet the legal and clinical eligibility criteria for the MAT drug court program and be active participants in that program or be under a community control sanction with the program's participating judge. After being enrolled, a participant must comply with all of the MAT drug court program's requirements.

Treatment

Under OhioMHAS's program, only a community addiction services provider is eligible to provide SUD treatment, including any recovery supports. The provider must:

- Provide treatment based on an integrated service delivery model that consists of the coordination of care between a prescriber and the provider;
- Assess potential program participants to determine whether they would benefit from treatment and monitoring;
- Determine, based on the assessment, the treatment needs of the participants;
- Develop individualized goals and objectives for the participants;
- Provide access to the drug therapies that are included in the program's treatment;
- Provide other types of therapies, including psychosocial therapies, for both SUD and any co-occurring disorders;
- Monitor program compliance through the use of regular drug testing, including urinalysis, of the participants; and
- Provide access to time-limited recovery supports that are patient-specific and help eliminate barriers to treatment, such as assistance with housing, transportation, child care, job training, obtaining a driver's license or state identification card, and any other relevant matter.

Regarding the drug therapies included in the program's SUD treatment:

- A drug may be used only if it is (1) a drug that is federally approved for use in MAT, which involves treatment for alcoholism, drug addiction, or both, or (2) a drug that is federally approved for use in, or a drug in standard use for, mitigating alcohol or opioid withdrawal symptoms or assisting with detoxification;
- One or more drugs may be used, but each drug that is used must constitute either or both: (1) long-acting antagonist therapy or partial or full agonist therapy or (2) alpha-2 agonist therapy for withdrawal management or detoxification;
- If a partial or full agonist therapy is used, the program must provide safeguards, such as routine drug testing of participants, to minimize abuse and diversion.

Planning

To ensure that funds appropriated to support OhioMHAS's program are used in the most efficient manner, with a goal of enrolling the maximum number of participants, the bill requires the Medicaid Director to develop plans in collaboration with major Ohio health care plans. However, there can be no prior authorizations or step therapy for program participants to have access to any drug included in the program's SUD treatment. The plans must ensure:

- The development of an efficient and timely process for review of eligibility for health benefits for all program participants;
- A rapid conversion to reimbursement for all health care services by the participant's health care plan following approval for coverage of health care benefits;
- The development of a consistent benefit package that provides ready access to and reimbursement for essential health care services, including primary health care, alcohol and opioid detoxification services, appropriate psychosocial services, drugs used in MAT, and drugs used in withdrawal management or detoxification; and
- The development of guidelines that require the provision of all treatment services, including medication, with minimal administrative barriers and within time frames that meet the requirements of individual patient care plans.

Mobile-based opioid use disorder treatment

(Section 337.95)

During FY 2024 and FY 2025, the bill requires OhioMHAS to operate a pilot program to provide opioid use disorder treatment to individuals in underserved regions in Ohio, as selected by OhioMHAS, using mobile medication units. The purpose of the pilot program is to extend access to MAT to areas of Ohio lacking licensed opioid treatment programs and qualifying practitioners. The services provided in the mobile medication units must be those specified in relevant guidance issued by the U.S. Substance Abuse and Mental Health Services Administration.

The State Board of Pharmacy, State Medical Board, Board of Nursing, and any other state agency that OhioMHAS determines may be of assistance in accomplishing the purpose of the pilot program must provide assistance to OhioMHAS if requested.

OhioMHAS must develop a plan for implementing and evaluating the pilot program within 60 days of the bill's effective date. Not later than six months after the conclusion of the pilot program, OhioMHAS must complete a report of the findings obtained from the program. The report must be submitted to the Governor and to the General Assembly.

Mental health crisis stabilization centers

(Sections 337.40 and 337.130)

The bill continues a requirement that OhioMHAS allocate among ADAMHS boards, in each of FY 2024 and FY 2025, \$1.5 million for six mental health crisis stabilization centers and up to \$6.0 million in each fiscal year for substance use stabilization centers. Each board must use its allocation to establish and administer a stabilization center in collaboration with the other ADAMHS boards that serve the same state psychiatric hospital region. Alternatively, with approval of the OhioMHAS Director, boards may establish and administer crisis stabilization centers to serve individuals with substance use or mental health needs. At least one center must be located in each of the six state psychiatric hospital regions.

ADAMHS boards must ensure that each mental health crisis stabilization center complies with the following:

- It must admit individuals before and after they receive treatment and care at hospital emergency departments or freestanding emergency departments;
- It must admit individuals before and after they are confined in state correctional institutions, local correctional facilities, or privately operated and managed correctional facilities;
- It must have a Medicaid provider agreement;
- It must admit individuals who have been identified as needing the stabilization services provided by the center;
- It must connect individuals when they are discharged from the center with community-based continuum of care services and supports.

COMMISSION ON MINORITY HEALTH

- Expands the Commission on Minority Health to 22 members by adding the Director of Aging or the Director's designee.

Commission on Minority Health membership

(R.C. 3701.78)

Under current law, the Commission on Minority Health has 21 members, including the Directors of Health, Mental Health and Addiction Services, Developmental Disabilities, Job and Family Services, and Medicaid, or their designees. The bill adds the Director of Aging or the Director's designee to the Commission.

DEPARTMENT OF NATURAL RESOURCES

Oil and Gas

Stratigraphic wells

- Establishes the Ohio Department of Natural Resource's (ODNR's) regulatory authority over stratigraphic wells, which are boreholes that are drilled on a tract solely to conduct research of the subsurface geology.
- Specifies that the regulatory authority over stratigraphic wells includes the following:
 - The permitting process;
 - Insurance and bonding requirements;
 - Plugging requirements;
 - Setback requirements; and
 - Notice and enforcement procedures.

Enforcement of oil and gas law

- Broadens the ability for the Chief of the Division of Oil and Gas Resources Management to enforce the laws governing oil and gas by allowing the Chief to issue violation orders and take enforcement action against *any person* that violates the oil and gas laws, instead of only well owners.

Hunting and fishing

- Allows a full-time student who is enrolled in any accredited Ohio public or private college or university to obtain a resident hunting license, fishing license, deer permit, and wild turkey permit, regardless of residency.

Parks and watercraft

Fire extinguishers on watercraft

- Regarding the requirement to have fire extinguishers on board powercraft:
 - Eliminates the exemption for powercraft propelled by an electric motor; and
 - Adds that powercraft of open construction that are not carrying passengers for hire are exempt from fire extinguisher requirements only if the powercraft are not capable of entrapping explosive or flammable gases or vapors.
- With certain exceptions, generally requires 5-B and 20-B portable fire extinguishers on class A, 1, 2, or 3 powercraft, depending on the class, rather than B-1 or B-2 fire extinguishers, depending on the class, as in current law.
- With certain exceptions, generally requires class 4 powercraft to have the number and type of 20-B portable fire extinguishers specified by gross tonnage as prescribed by federal regulations.

- Requires all portable and semi-portable fire extinguishers for use on a vessel to comply with specified requirements, including being on board the vessel, being readily accessible, and being maintained in good and serviceable condition.

Personal flotation device labeling

- Eliminates a requirement that the label on an approved personal flotation device have a specified designation concerning flotation device type (e.g., type 1, 2, 3, 4, or 5 personal flotation device).

Obtaining a watercraft or outboard motor title

- Increases the period of time that a purchaser has to obtain a watercraft or outboard motor title from 30 days to 60 days.

Parks and Watercraft Federal Grants Fund

- Creates the Parks and Watercraft Federal Grants Fund consisting of federal funds received by ODNR for parks and watercraft projects approved by the Director and any other money credited to the fund.
- Requires the Chief of the Division of Parks and Watercraft to use money in the fund for parks and watercraft projects approved by the ODNR Director.

Other provisions

Performance Bond Refund Fund

- Creates the Performance Bond Refund Fund, which consists of money received by ODNR from other entities as performance security.
- Disposes of money in the fund as follows:
 - If work for which the performance bond was required is completed, the money is refunded to the pledging entity; or
 - If a performance bond is forfeited, the money must be transferred to the appropriate fund within the state treasury.

ODNR administration of capital projects

- Allows ODNR, for FY 2024 and FY 2025, to administer certain capital facility projects commenced within those fiscal years, regardless of estimated cost, without the assistance of the Ohio Facilities Construction Commission (OFCC).
- Requires ODNR to do both of the following:
 - Comply with the procedures and guidelines established in the law governing public improvement contracts; and
 - Track all project information in the Ohio Administrative Knowledge System (OAKS) capital improvements application pursuant to OFCC guidelines as though ODNR is administering the project pursuant to all generally applicable laws.

Oil and gas

Stratigraphic wells

(R.C. 1509.051, 1509.01, and 1509.03)

The bill establishes ODNR's regulatory authority over stratigraphic wells. Stratigraphic wells are boreholes that are drilled on a tract solely to conduct research of the subsurface geology. Generally, under the bill, stratigraphic wells are subject to all the current laws that govern oil and gas wells, which include (1) the permitting process, (2) insurance and bonding requirements, (3) plugging requirements, (4) setback requirements, and (5) notice and enforcement procedures.

However, the bill does establish new requirements specific to stratigraphic wells and exempts stratigraphic wells from certain requirements that apply to oil and gas wells, as follows:

- Allows the Chief of the Division of Oil and Gas Resources Management to prescribe a different application form for a permit to drill a stratigraphic well;
- Prohibits a person from submitting more than three applications per year for a permit to drill a stratigraphic well unless otherwise approved by the Chief;
- Prohibits a stratigraphic well from being transferred to another person;
- Prohibits the surface location of a stratigraphic well from being within 150 feet from the property line of the tract on which the well is drilled;
- Requires a stratigraphic well to be plugged one year after the well is spudded; and
- Specifies that all of the following do not apply to stratigraphic wells:
 - The ability to receive temporary inactive well status;
 - Filing requirements for statements of production of oil, gas, and brine;
 - Minimum acreage requirements for a drilling unit;
 - Rules governing horizontal well site construction;
 - Rules governing saltwater operations and class II disposal wells;
 - Rules governing oil and gas waste facilities;
 - Rules governing enhanced recovery projects (injecting gas, water, or other fluids to change the pressure in a reservoir to recover oil or other hydrocarbons); and
 - Rules governing solution mining projects (involving a well or group of wells and associated facilities under one owner utilized for the solution mining of minerals).

Enforcement of oil and gas law

(R.C. 1509.04)

The bill broadens the authority of the Chief of Oil and Gas Resources Management to enforce the laws governing oil and gas. It does so by allowing the Chief to issue violation orders

and take enforcement action against *any person* who violates the oil and gas laws. Current law allows the Chief to take these actions only against well owners.

Hunting and fishing

Licenses for college students

(R.C. 1531.01)

The bill allows a full-time student who is enrolled in any accredited Ohio public or private college or university to obtain a resident hunting license, fishing license, deer permit, and wild turkey permit, regardless of residency. To obtain one of those resident licenses or permits, the student must apply to ODNR and attest to the individual's full-time student status in a manner determined by the Chief of the Division of Wildlife. Generally, the fee for a resident license or permit is cheaper than a nonresident license or permit.

Parks and watercraft

Fire extinguishers on watercraft

(R.C. 1547.27)

Current law generally requires powercraft to carry fire extinguishers. However, this requirement does not apply to powercraft propelled by an electric motor and powercraft that are less than 26 feet in length designed for use with an outboard motor, of open construction, and not carrying passengers for hire. A powercraft is any water vessel propelled by machinery, fuel, rockets, or similar device.

The bill modifies the above provisions by doing both of the following:

1. Eliminating the exemption for powercraft propelled by an electric motor; and
2. Adding that powercraft of open construction that are not carrying passengers for hire are only exempt from fire extinguisher requirements if the powercraft are not capable of entrapping explosive or flammable gases or vapors.

Due to changes in the U.S. Coast Guard's federal regulations according to ODNR, the bill changes the types of fire extinguishers that a powercraft must carry. The bill generally requires any water vessel not equipped with fixed fire extinguishing systems in machinery to carry the following:

Type of powercraft	Current law	The bill
Class A and class 1	One B-1 fire extinguisher	One 5-B portable extinguisher
Class 2 powercraft	At least two B-1 fire extinguishers or at least one B-2 fire extinguisher	At least two 5-B portable fire extinguishers or at least one 20-B portable fire extinguisher

Type of powercraft	Current law	The bill
Class 3 powercraft	At least three B-1 fire extinguishers or at least one B-2 fire extinguisher	At least three 5-B portable fire extinguishers or at least one 20-B portable fire extinguisher
Class 4 powercraft	No requirements	Have the number and type of 20-B portable fire extinguishers specified by gross tonnage as prescribed by federal regulations

According to ODNR, federal regulations allow different fire extinguishers for recreational vessels with a model year earlier than 2018, provided the extinguishers are maintained in good condition. If the older fire extinguishers need to be replaced, the new fire extinguishers must comply with the requirements established under the bill.

The bill requires all portable and semi-portable fire extinguishers for use on a vessel to:

1. Be on board the vessel and be readily accessible;
2. Be of an approved type;
3. Not be expired or appear to have been previously used;
4. Be maintained in good and serviceable working condition, which means all of the following: (a) if the fire extinguisher has a pressure gauge or indicator, the reading or indicator is in the operable range or position, (b) the fire extinguisher's lock pin is firmly in place, (c) the fire extinguisher's discharge nozzle is clean and free of obstruction, and (d) the fire extinguisher does not show visible signs of significant corrosion or damage.

Personal flotation device labeling

(R.C. 1547.25)

The bill eliminates a requirement that the label on an approved personal flotation device have one or more of the following designations:

1. Conditional approval;
2. Performance type;
3. Type 1, 2, 3, 4, or 5 personal flotation device;
4. Throwable personal flotation device; or
5. Wearable personal flotation device.

The bill retains the requirement that the appropriate use for each flotation device must be indicated on the device's label. A personal flotation device is a U.S. Coast Guard approved personal safety device designed to provide buoyancy to support a person in the water.⁶⁹

Obtaining a watercraft or outboard motor title

(R.C. 1548.03)

The bill increases the period of time that a purchaser has to obtain a watercraft or outboard motor title from 30 days to 60 days. Under current law, a person is prohibited from selling or otherwise disposing of a watercraft or outboard motor without delivering to the purchaser a physical certificate of title. However, a purchaser may take possession of and operate a watercraft or outboard motor without a certificate of title for up to 30 days (60 days under the bill) if both of the following apply:

1. The purchaser has been issued a dealer's dated bill of sale or notarized bill of sale (in the case of a casual sale); and
2. The purchaser has the bill of sale in their possession.

Parks and Watercraft Federal Grants Fund

(R.C. 1546.24)

The bill creates the Parks and Watercraft Federal Grants Fund consisting of both of the following:

1. Federal funds received by ODNR for parks and watercraft projects approved by the ODNR Director. The Chief of the Division of Parks and Watercraft must use money in the fund for those projects.
2. Any other money credited to the fund.

The Chief must use money in the fund for parks and watercraft projects approved by the Director.

Other provisions

Performance Bond Refund Fund

(R.C. 1501.16)

The bill creates the Performance Bond Refund Fund, which consists of money received by ODNR from other entities as performance security. The bill disposes of money in the fund as follows:

1. If work for which the performance bond was required is completed, the money is refunded to the pledging entity; or

⁶⁹ R.C. 1546.01, not in the bill.

2. If a performance bond is forfeited, the money must be transferred to the appropriate fund within the state treasury.

ODNR administration of capital projects

(Section 343.60)

The bill allows ODNR, for FY 2024 and FY 2025, to administer certain capital facility projects commenced within those fiscal years, regardless of estimated cost, without the assistance of the Ohio Facilities Construction Commission (OFCC), which generally administers capital facility projects on behalf of state agencies. The bill specifies that those projects are the following:

1. Dam repairs administered by the ODNR's Division of Engineering;
2. Projects or improvements administered by the Division of Parks and Watercraft and funded via the Waterways Safety Fund;
3. Projects or improvements administered by the Division of Parks and Watercraft; and
4. Activities conducted by ODNR to maintain ODNR's roads.

The bill requires ODNR to do both of the following:

1. Comply with the procedures and guidelines established in the law governing public improvement contracts; and
2. Track all project information in the Ohio Administrative Knowledge System (OAKS) capital improvements application pursuant to OFCC guidelines as though ODNR is administering the project pursuant to all generally applicable laws.

Finally, the bill states that nothing in these provisions interferes with ODNR's general powers.

OHIO OCCUPATIONAL THERAPY, PHYSICAL THERAPY, AND ATHLETIC TRAINERS BOARD

Physical therapy educational alternative

- Permits physical therapist and physical therapist assistant licenses to be issued to applicants who completed their education in a country that does not issue a license or registration to physical therapy practitioners.
- Requires the Physical Therapy Section of the Occupational Therapy, Physical Therapy, and Athletic Trainers (OTPTAT) Board to adopt rules pertaining to this new pathway to qualify for Ohio licensure.

Orthotics, Prosthetics, and Pedorthics Advisory Council

- Reduces the minimum number of annual meetings of the Council from four to three.
- Extends from 60 days to 90 days the maximum time an outgoing member must serve after the member's term expires pending a successor's appointment.

Physical therapy educational alternative

(R.C. 4755.411, 4755.45, and 4755.451)

Current law permits the Physical Therapy Section of the OTPTAT Board to issue physical therapist and physical therapist assistant licenses to applicants based on holding a current and valid license or registration in another state or country. The bill additionally allows an Ohio license to be issued to an applicant who completed a program for physical therapists or assistants in a country that does not issue a physical therapist or assistant license or registration. The Physical Therapy Section must adopt rules pertaining to this new pathway to qualify for Ohio licensure.

As provided currently for Ohio's endorsement of a license or registration received in another jurisdiction, an applicant seeking an Ohio license through the bill's new pathway must have education that is reasonably equivalent to the educational requirements in Ohio at the time the education was completed. Further, as with licensure by endorsement, the applicant must still have passed the national examination at some point, passed the jurisprudence examination, and paid application fees.

Orthotics, Prosthetics, and Pedorthics Advisory Council

(R.C. 4779.35)

The Orthotics, Prosthetics, and Pedorthics Advisory Council, which advises the OTPTAT Board, currently must meet a minimum of four times per year. The bill reduces this to a minimum of three meetings per year. It also extends the maximum time an outgoing member must serve after that member's term expires pending a successor's appointment from 60 days to 90 days.

OPPORTUNITIES FOR OHIOANS WITH DISABILITIES

- Expands Ohioans with Disabilities Agency's (OOD's) authorized uses for money deposited in the Services Rehabilitation Fund to allow the money to be expended for any of OOD's purposes or programs, rather than only purposes specified in law.

Services for Rehabilitation Fund

(R.C. 4511.191)

The bill authorizes OOD to use the money in the Services for Rehabilitation Fund for any of OOD's purposes or programs. Under current law, OOD must use the money to match federal funds, when appropriate, and for purposes and programs that rehabilitate persons with disabilities to become employed and independent. Thus, the bill expands OOD's authorized uses for the fund. Money in the fund comes from \$75 out of each \$475 reinstatement fee that a person must pay to reinstate a driver's license after a driver's license suspension for an OVI offense.

OFFICE OF PUBLIC DEFENDER

State public defender – parole hearings and private counsel

- Requires the state public defender to provide legal representation in full board hearings and parole eligibility hearings, unless the state public defender finds that the person subject to the full board hearing or parole eligibility hearing has the financial capacity to retain the person’s own counsel.
- Provides that if the state public defender determines that it does not have the capacity to provide the above legal representation, the state public defender may contract with private counsel to provide the above legal representation.
- Requires that if the state public defender contracts with private counsel to provide the above legal representation, the state public defender must directly pay private counsel’s legal fees and expenses from the Indigent Defense Support Fund.

Trumbull County: county share fund

- Strikes a reference to the Trumbull County: county share fund.

State public defender – parole hearings and private counsel

(R.C. 120.06 and 120.08)

The bill requires that the state public defender, when designated by the court or requested by the county public defender, joint county public defender, or the Director of the Department of Rehabilitation and Correction (DRC), must provide legal representation in full board hearings and parole eligibility hearings, unless the state public defender finds that the person subject to the full board hearing or parole eligibility hearing has the financial capacity to retain the person’s own counsel. Under current law, the state public defender, when designated by the court or requested by the county public defender, joint county public defender, or the DRC Director, must provide legal representation in parole and probation revocation matters, or matters relating to the revocation of community control or post-release control under a community control sanction or post-release control sanction, unless the state public defender finds that the alleged parole or probation violator, or alleged violator of a community control sanction or post-release control sanction has the financial capacity to retain the alleged violator’s own counsel.

The bill provides that if the state public defender determines that it does not have the capacity to provide the above legal representation, the state public defender may contract with private counsel to provide it.

The bill specifies that if the state public defender contracts with private counsel to provide the above legal representation, the state public defender must directly pay private counsel’s legal fees and expenses from the Indigent Defense Support Fund. The state public defender must use at least 83% of the money in the Indigent Defense Support Fund for the following purposes: (1) reimbursing county governments for specified expenses incurred (continuing law),

(2) operating its system (continuing law), and (3) directly paying private counsel's legal fees and expenses (the bill).

Trumbull County: county share fund

(R.C. 120.04)

The bill eliminates the Trumbull County: county share fund and folds its revenues into the multicounty: county share fund. The bill strikes a reference to that fund in permanent law.

DEPARTMENT OF PUBLIC SAFETY

Driver's licenses and identification cards

Limited term licenses and identification cards

- Renames “nonrenewable/nontransferable” driver’s licenses and state identification (ID) cards, which are issued to temporary residents, as the “limited term license” and “limited term” ID card. (Temporary residents generally are persons who are not U.S. citizens or permanent residents.)
- Excludes a limited term license as a form of photo identification for purposes of voting.
- Requires the words “limited term” to be on any driver’s license or ID card issued to a temporary resident, along with other characteristics prescribed by the Registrar of Motor Vehicles.
- Clarifies the law regarding the expiration dates for a limited term driver’s license or ID card issued to a temporary resident.
- Authorizes a temporary resident to renew a limited term license or limited term ID card, provided the temporary resident can verify his or her lawful status in the U.S.
- Requires the Registrar to adopt rules governing limited term licenses and ID cards issued to temporary residents.
- Specifies that all REAL ID-compliant driver’s licenses and ID cards must be issued in accordance with the federal requirements.

Return of ID cards

- Removes the requirement that a person surrender or return an original ID card to the Bureau of Motor Vehicles (BMV) if the person:
 - Applies for a driver’s license or commercial driver’s license (CDL) in Ohio or another state;
 - Finds the original lost card, after obtaining a duplicate or reprint card; or
 - Changes his or her name and obtains a replacement ID card.

Color photographs

- Removes the requirement that the Registrar or a deputy registrar photograph an applicant for a driver’s license, CDL, or ID card in color.
- Removes the requirement that a driver’s license, CDL, or ID card display a color photograph of the licensee.

ID card reimbursements

- Authorizes the Department of Public Safety (DPS) Director to certify to the OBM Director, on a quarterly basis, both of the following:

- The amounts paid by DPS to deputy registrars to reimburse them for their services in issuing and renewing free ID cards and temporary ID cards; and
- The amount of fees not collected by the Registrar for any free ID cards and temporary ID cards issued or renewed by the Registrar.
- Authorizes the OBM Director to transfer up to \$4 million per fiscal year to BMV from the GRF to reimburse the BMV for the free ID cards and temporary ID cards.

Driver's licenses and permits for dependent minors

- Authorizes a minor's representative to sign the minor's application for a probationary driver's license, restricted license, or temporary instruction permit (license or permit), in addition to a parent, guardian, or another person having custody of the minor, as in current law.
- Specifies that a minor's representative is a person who has custody of a minor under the age of 18 and who is one of the following:
 - A representative of a private child placing agency (PCPA) or public children services agency (PCSA); or
 - A resource caregiver (kinship or foster caregiver) who has placement of a child in the custody of a PCPA or PCSA.
- Excludes a minor's representative who signs a minor's license or permit application from imputed liability for the minor's negligence or willful or wanton misconduct committed while driving.
- Requires the Department of Job and Family Services (ODJFS) or a minor's representative to verify that a minor has proof of financial responsibility (auto insurance) before the minor's representative signs the application.
- Requires ODJFS, its agent, or the minor's representative to provide the Registrar with proof that the minor has auto insurance.
- Requires ODJFS or the minor's representative to notify the Registrar and surrender the minor's license or permit to the Registrar upon determining that the minor does not have auto insurance.
- Further requires the Registrar to cancel the license or permit in that event.
- Requires a resource caregiver (a foster or kinship caregiver) to use the reasonable and prudent parent standard when signing the minor's license or permit application.
- Extends certain civil immunity from liability for the decision to allow a minor to drive to a resource caregiver and resource caregiver's supervising agency only when the reasonable and prudent parent standard is used in signing the application.

Resource caregiver immunity and authority

- Expands the general immunity granted to foster caregivers for acts authorized under the public welfare law to kinship caregivers.
- Specifies that any alleged abused, neglected, or dependent child placed with a resource caregiver (a foster caregiver or a kinship caregiver) is entitled to participate in age-appropriate extracurricular, enrichment, and social activities.
- Requires a resource caregiver to consider certain factors when determining whether to give permission for a child to participate in extracurricular, enrichment, and social activities.
- Clarifies that a resource caregiver who grants permission for a child to participate in those activities is immune from liability in a civil action to recover damages for injury, death or loss to the child when those factors were considered.

Restricted driver's license

- Eliminates the six-month validity period for a medically restricted driver's license and, instead, requires the Registrar to determine the validity period of the license.
- Requires a medically restricted license holder to submit a licensed physician's statement regarding the holder's medical condition to the Registrar at intervals required by the Registrar, rather than every six months as in current law.

Commercial driver's licenses

Online driver's license, ID card, and CDL renewal

- Authorizes the online renewal of CDLs in a similar manner as driver's licenses and ID cards under current law.
- Prohibits the renewal or issuance of any of the following via the online process:
 - A CDL temporary instruction permit;
 - An initial CDL; and
 - A nonrenewable CDL.
- Modifies a current eligibility requirement for the online renewal of a driver's license or ID card to require the applicant's current license or ID card to have been issued when the applicant was age 21 or older and the applicant to be under age 65, rather than requiring the applicant to be between age 21 and 65 as in current law.
- Extends that eligibility requirement to online renewal of CDLs.
- Authorizes U.S. permanent residents to renew driver's licenses, CDLs, and ID cards online.
- Specifies that for online CDL renewal, the applicant must meet the following additional eligibility criteria that do not apply to a driver's license or ID card holder:

- Compliance with all laws governing CDL issuance, including self-certification and medical certificate requirements;
- Not be under any CDL restriction by any federal regulation.

CDL temporary instruction permit

- Extends the maximum validity period for a commercial driver's license temporary instruction permit (CDLTIP) from six to 12 months.
- Clarifies that a CDLTIP is a prerequisite for the initial issuance of a CDL only when a skills test is required for the CDL.
- Repeals law that allows the Registrar to renew a CDLTIP only once in a two-year period.

CDL skills test third-party examiners

- Regarding third parties authorized to administer the CDL skills tests, does all of the following:
 - Specifies that the third-party examiners must meet the qualification and training standards that apply to the class of vehicle and endorsements for which an applicant taking the skills test is applying;
 - Requires the third party to schedule all skills test appointments through a system or method provided by the DPS Director, or if the Director does not provide a system or method, to submit the schedule weekly;
 - Requires the third party to keep a copy of the third-party agreement entered into with the Director at its principal place of business.

Fraudulent acts related to CDL testing

- Prohibits knowingly providing false statements or engaging in any fraudulent act related to a CDL test.
- Specifies that a violation of the prohibition is a first degree misdemeanor.
- Allows the Registrar to cancel a CDL or an application for a CDL as a result of a violation of the prohibition.

CDL disqualifications: human trafficking

- Prohibits a CDL holder from using a commercial motor vehicle in the commission of a felony human trafficking offense, and specifies that a violation of the prohibition is a first degree misdemeanor.
- Establishes a lifetime disqualification from operating a commercial motor vehicle for a person who is convicted of violating the prohibition.

Strict liability declaration

- Clarifies that various prohibitions related to operating a commercial motor vehicle are strict liability offenses.

Motor vehicle OVI violation requiring surrender of CDL

- Clarifies that a CDL holder or CDLTIP holder must immediately surrender the holder's CDL or permit to an arresting peace officer if the holder was operating a motor vehicle in violation of the state OVI law's statutory limits for alcohol or a controlled substance.

Other BMV services

Deputy registrar provisions

- Allows county auditors and clerks of court to serve as a deputy registrar in any county, rather than only in counties below certain population thresholds.
- Relieves the Registrar from the responsibility to appoint a deputy registrar in a county under certain circumstances (e.g., when the county auditor or clerk of court is unwilling to serve and no other entities have applied).
- In the case of a county in which there is no deputy registrar, allows the Registrar to reestablish a deputy registrar office in certain circumstances (e.g., the willingness of the county auditor, a clerk of court, or deputy registrar in another county to serve).
- As a result of the changes specified above, eliminates the requirement that a deputy registrar live within a one-hour commute from the deputy registrar's office and the prohibition against a deputy registrar operating more than one deputy registrar office at any time.

Permanent removable windshield placard

- Creates a permanent removable windshield placard with no expiration date that authorizes use of accessible parking spaces for a person with a permanent disability that limits or impairs the ability to walk.
- Sets the cost for a permanent placard at \$15 (as opposed to \$5 for a standard or temporary placard), but exempts an armed forces veteran whose disability is service-connected.
- Consolidates and makes conforming changes within the language pertaining to the three types of placards: a standard placard (five-year renewal); a temporary placard (expires within six months); and the new permanent placard (no expiration).

Titling a motor vehicle from another state

- Regarding an application for a certificate of title for a motor vehicle last registered in another state, clarifies that the required physical inspection certificate must be issued specifically by the Registrar, rather than DPS as in current law.
- Requires the physical inspection to include a verification of the mileage of the motor vehicle, in addition to a verification of the make, body type, model, and vehicle identification number as in current law.

Traffic and vehicle equipment laws

Seat belts and child restraint systems

- Makes failure to wear a properly adjusted seat belt as either the operator or front-seat passenger of an automobile a primary offense, rather than a secondary offense as under current law.
- Makes the failure for all passengers to wear a seat belt in a motor vehicle driven by an operator who has a learner's permit or a probationary driver's license a primary offense, rather than a secondary offense as under current law.
- Makes failure to properly secure a child in the appropriate booster seat or seat belt, according to the child's age, weight, height, and manufacturer's instructions, a primary offense, rather than a secondary offense as under current law.

Emergency vehicles using flashing lights

- Allows a vehicle being used on a road or highway for emergency preparedness, response, and recovery activities to use flashing amber lights if the vehicle is being operated by a person from one of the following:
 - The Ohio Emergency Management Agency;
 - A countywide emergency management agency; or
 - A regional authority for emergency management.

Vehicle platoons

- Exempts a vehicle platoon from a specific prohibition against a driver of a truck following too closely to another truck or to another motor vehicle that is drawing another vehicle.
- Specifies that a vehicle platoon generally is the linking of two or more connected vehicles using electronic vehicle-to-vehicle communication technology.

Motor vehicle sales, dealers, and manufacturers

Motor vehicle sales

- For purposes of the Motor Vehicle Sales Law, does all of the following:
 - Expands the meaning of "persons" to include financial institutions.
 - Expands the meaning of "business" to include activities conducted through the internet or other computer networks.
 - Expands the meaning of "retail sale" to include sales that occur through the internet or other computer networks.
 - Defines "established place of business" to mean a permanent building or structure that meets certain conditions, potentially barring individuals that do not meet those conditions from licensure.

Manufacturer, dealer, and distributor vehicle registration

- Requires the Registrar to issue a license plate, rather than a placard, to vehicle manufacturers, dealers, distributors, and other similar professionals that require a temporary identification for vehicles in their possession.
- Requires the Registrar to issue corresponding and matching additional certificates of registration and license plates, rather than certified copies of the original certificate and placards, for any additional license plates requested.

Licensee contact information

- Prohibits a salvage motor vehicle dealer, salvage motor vehicle auction, salvage motor vehicle pool, and a motor vehicle dealer, leasing dealer, and distributor from failing to notify the Registrar of any change in status regarding contact information, including the relevant phone number and email address.
- Imposes a fourth degree misdemeanor for violating the prohibition.

Salvage dealer provisional license

- Permits the Registrar to utilize an agent to inspect the premises of a motor vehicle salvage dealer when the dealer holds a provisional license.
- After a successful inspection of a provisional license holder, eliminates the requirement that the Registrar send notice to the holder of the removal of provisional status and, instead, requires the Registrar to issue a license without provisional status to the holder.
- Requires the Registrar to send the notice of the revocation of a provisional license (after an unsuccessful inspection) in accordance with the Administrative Procedure Act.

Used dealer provisional license

- Creates a provisional, 180-day, used motor vehicle dealer license, similar to the current provisional license for a salvage motor vehicle dealer, for the first issuance of the license to an applicant.
- Requires the Registrar, or the Registrar's agent, to inspect the premises of the dealer within the provisional period to ensure compliance with the Used Motor Vehicle Dealer Law.
- Requires the Registrar to either issue a nonprovisional license or revoke the provisional license, based on whether the dealer is in compliance.
- Exempts, at the Registrar's discretion, a person that holds a valid new motor vehicle dealer license from obtaining a provisional used motor vehicle dealer license.

Corrective changes

- Corrects references in law to an annual renewal for specified licenses that are currently biennial.

Scrap metal and bulk merchandise container dealers

- Authorizes DPS to investigate alleged violations of the law governing purchase, sorting, grading, and shipping of scrap metal, bulk merchandise containers, and special purpose articles (“Secondhand Dealer Law”).
- Allows DPS employees and authorized representatives to conduct in-person investigations at the dealer’s place of business so long as, in the case of unregistered dealers, the employee or representative first requests assistance from local law enforcement.
- Establishes a procedure by which the DPS Director may order an unregistered person to show cause as to why the person’s activities are not subject to the Secondhand Dealer Law and, following the hearing, order the person to stop those activities.
- Authorizes the DPS Director to request that the Attorney General, county prosecutor, or city law director prosecute alleged violations of the Secondhand Dealer Law.
- Stipulates that a person claiming exemption from the Secondhand Dealer Law has the burden of proving that exemption in any associated proceeding or action.
- Specifies that a “scrap metal dealer” is the business engaged in scrap metal dealing, not the owner or operator of that business.

State Board of Emergency Medical, Fire, and Transportation Services

- Eliminates a requirement that each organization nominating persons to the State Board of Emergency Medical, Fire, and Transportation Services put forth three nominees and, instead, allows each organization to nominate any number of persons.
- Does both of the following regarding the Board member who is certified to teach emergency medical services training and who holds a certificate to practice as an EMT, AEMT, or paramedic:
 - Eliminates the requirement that the Governor appoint the member from among three persons nominated by the Ohio Emergency Medical Technician Instructors Association and the Ohio Instructor/Coordinators’ Society; and
 - Instead, requires the member to be appointed from among EMTs, AEMTs, and paramedics nominated by the Ohio Association of Professional Firefighters and EMTs, AEMTs, and paramedics nominated by the Northern Ohio Fire Fighters.
- Specifies that if any nominating organization ceases to exist or fails to make a nomination within 60 days of a vacancy, the Governor may appoint any person who meets the designated professional qualifications for that member.
- Extends the potential time a member of the Board may continue in office if a successor does not take office from 60 days to three years.

- Eliminates a requirement that each organization nominating persons to the Trauma Committee of the State Board put forth three nominees and, instead, allows each organization to nominate any number of persons.
- Specifies that if any nominating organization ceases to exist or fails to make a nomination of a member within 60 days of a vacancy, the DPS Director may appoint any person who meets the designated professional qualifications for that member.
- Eliminates a restriction preventing the Director from appointing more than one member to the Committee who is employed by or practices in the same health system.
- Further modifies that restriction to allow the Director to appoint persons who practice at the same hospital or with the same emergency medical service (EMS) organization, provided they do not primarily practice at the same hospital or with the same EMS organization.

Emergency vehicle permits and ambulance inspections

- Eliminates the requirement that the Board issue or deny a permit application for an emergency medical vehicle or aircraft within 60 days of receiving the application.
- Specifies the Board must deny an application in accordance with the Administrative Procedure Act.
- Allows the Board to determine the sufficiency of an ambulance's interior components by applying either the national standard for ambulance construction approved by the American National Standards Institute or by applying specified federal standards (rather than solely the federal standards, as in current law).

Ohio Narcotics Intelligence Center

- Codifies the Ohio Narcotics Intelligence Center in DPS, which was originally created by a Governor's Executive Order.
- Requires the Center to perform specified duties, including coordinating law enforcement response to illegal drug activities for state agencies and acting as a liaison between state agencies and local entities for the purposes of communicating counter-drug policy initiatives.
- Requires the DPS Director to appoint an executive director of the Center, who serves at the Director's discretion.
- Requires the executive director to advise the Governor and the Director on matters pertaining to illegal drug activities.

State Hazard Mitigation Grant Program

- Requires the DPS Director to adopt rules to establish and administer a State Hazard Mitigation Grant Program to provide grants to eligible government entities to take actions that reduce impact from hazards and disasters.

- Requires the rules to establish specified requirements regarding the Program, including:
 - A list of hazards and disasters for which grants may be issued;
 - Priorities for grant funding; and
 - Eligibility requirements for applicants to receive a grant.

Specific investigatory work product

- Defines “specific investigatory work product” as used in the Public Records Law.

Driver’s licenses and identification cards

Limited term licenses and identification cards

(R.C. 3501.01, 4507.01, 4507.061, 4507.09, 4507.13, 4507.50, 4507.501, and 4507.52)

The bill makes changes to Ohio law that governs driver’s licenses and state identification (ID) cards issued to temporary residents. Temporary residents generally are persons who are not U.S. citizens or permanent residents under U.S. immigration laws.⁷⁰ The purpose of the changes is to ensure that those licenses and ID cards issued to temporary residents conform to the federal REAL ID Act. Under that act, driver’s licenses and ID cards issued to temporary residents are described as “limited term,” with required expiration date standards. A temporary resident may renew a limited term license upon verification of the applicant’s continued legal status in the U.S. Regarding their expiration dates, federal law requires a REAL ID-compliant license or ID issued to a temporary resident to expire as follows:

- If the license or ID is issued to a temporary resident who has a definite expiration date for the resident’s authorized stay in the U.S., the license or ID must expire on that date or four years from the date of issuance, whichever is earlier.
- If the license or ID is issued to a temporary resident who does not have a definite expiration date for the resident’s authorized stay in the U.S., the license or ID must expire one year from the date of issuance.⁷¹

In order to conform Ohio’s law to the federal REAL ID Act, the bill does all of the following:

1. Renames the “nonrenewable/nontransferable” driver’s license and ID card a “limited term license,” “limited term identification card,” and “limited term temporary identification card.” (As a conforming change, the bill excludes the use of a limited term license as a form of photo identification for purposes of voting.)

2. Requires the limited terms licenses and ID cards to have the words “limited term” printed on them, along with any other characteristics prescribed by the Registrar.

⁷⁰ O.A.C. 4501:1-1-35 and 4501:1-1-35.

⁷¹ “Real ID Act,” 49 U.S.C. 30301, *et seq.*, 6 C.F.R. Part 37.

3. Authorizes the limited term licensee or cardholder to renew the license or ID card within 90 days of expiration, provided the licensee or cardholder can verify his or her continued lawful status/legal presence in the U.S.

4. Aligns the required expiration dates more clearly with the required expiration dates in the federal Real ID Act, and requires the Registrar to adopt rules regarding the issuance of the limited term licenses and ID cards and their expiration dates. (In doing so, the bill also adjusts the law concerning expiration dates for licenses and ID cards generally.)

5. Requires, in general, all driver's licenses and ID cards issued in accordance with the federal REAL ID Act to comply with the corresponding federal regulations.

Return of ID cards

(R.C. 4507.52)

The bill removes the requirement that an ID cardholder surrender or return his or her original ID card to the BMV if any of the following occur:

1. The cardholder applies for a driver's license or CDL in Ohio or in another state;
2. The cardholder lost the original ID card, but then finds it after obtaining a duplicate or a reprint ID card; or
3. The cardholder changes his or her name and obtains a replacement ID card to reflect the new name.

As a conforming change, the bill also removes the requirement that the Registrar cancel any card surrendered to the BMV for any of the above reasons.

Color photographs

(R.C. 4506.11, 4507.01, 4507.06, 4507.18, 4507.51, and 4507.52)

The bill removes the requirement that the Registrar or a deputy registrar photograph an applicant for a CDL, driver's license, or ID card in color. Similarly, it removes the requirement that CDLs, driver's licenses, and ID cards display a color photograph of the cardholder. While the REAL ID Act requires those licenses and ID cards to display a photograph of the licensee or cardholder, it does not require that photograph to be in color.

ID card reimbursements

(Section 373.30)

The bill authorizes the DPS Director to certify to the OBM Director, on a quarterly basis, both of the following:

1. The amounts paid by DPS to deputy registrars to reimburse them for their services in issuing and renewing free ID cards or temporary ID cards that past quarter; and
2. The amount of fees not otherwise collected by the Registrar for any free ID cards and temporary ID cards issued or renewed by the Registrar that past quarter.

Furthermore, the bill authorizes the OBM Director to transfer up to \$4 million per fiscal year to the BMV's primary fund (Public Safety – Highway Purposes Fund) from the GRF. The money reimburses the BMV for its expenses related to the free ID cards. The General Assembly authorized any person 17 and over who applies for and receives an ID card from the BMV to receive and renew it for free. That authorization was established by H.B. 458 of the 134th General Assembly in association with requiring photo identification for voting.⁷²

Driver's licenses and permits for dependent minors

(R.C. 2307.22, 4507.07, and 5103.162)

The bill authorizes a minor's representative to sign a minor's application for a probationary driver's license, restricted license, or temporary instruction permit (license or permit). A minor's representative is a person who has custody of a minor under the age of 18 and who is one of the following:

- A representative of a private child placing agency (PCPA) or public children services agency (PCSA); or
- A resource caregiver (meaning a foster or kinship caregiver) who has placement of a child in the custody of a PCPA or PCSA.

Under current law, only a parent, guardian, or another person having custody of the minor may sign the minor's license or permit application.

The bill excludes a minor's representative who signs a minor's application from imputed liability for the minor's negligence or willful or wanton misconduct committed while driving a motor vehicle. This imputed liability currently applies to a parent or guardian and makes the parent or guardian jointly and severally liable with the minor for damages, unless the minor has proof of financial responsibility (i.e., auto insurance).

The bill requires the Department of Job and Family Services or a minor's representative to verify that a minor has auto insurance before the minor's representative signs the minor's license or permit application. The Department or minor's representative must notify the Registrar and surrender the minor's license or permit to the Registrar upon determining that the minor does not have auto insurance. The Registrar must cancel the license or permit in that event.

The bill retains law allowing any person who signed a minor's application for a license or permit to surrender the minor's license or permit to the Registrar and ask that it be cancelled. The Registrar must cancel it in that circumstance and the person who signed the application is relieved from any imputed liability.

When signing a dependent minor's permit or license application, the bill requires a minor's representative to use the reasonable and prudent parent standard. Under current law, this standard is a standard characterized by careful and sensible parental decisions that maintain

⁷² R.C. 4507.49, not in the bill. For additional information regarding free ID cards, see the [LSC Final Analysis for H.B. 458 of the 134th General Assembly \(PDF\)](#), which is available on the General Assembly's website: legislature.ohio.gov.

the child's health, safety, and best interests while at the same time encouraging the child's emotional and developmental growth. Under the bill, it must be used by a resource caregiver or resource caregiver's supervising agency in order to be immune in a civil action for damages resulting from the decision to allow a minor to participate in extracurricular activities, which includes driving.

Resource caregiver immunity and authority

(R.C. 2151.315 and 5103.162)

The bill expands the general immunity granted to foster caregivers for acts authorized under the public welfare law so that the immunity also applies to kinship caregivers. Currently, foster caregivers are immune in any civil action for damages for injury, death, or loss allegedly caused by an act or omission in connection with the foster caregiver's duties, powers, or responsibilities unless one of the following applies:

1. The foster caregiver acted manifestly outside the scope of the foster caregiver's power, duty, responsibility, or authorization;
2. The foster caregiver committed the act or omission maliciously, in bad faith, or wantonly or recklessly; or
3. Liability is expressly imposed by another provision of the Revised Code.

The bill applies these general principles of civil immunity to resource caregivers, which includes both foster caregivers and kinship caregivers.

Under current law, a private child placing agency (PCPA), public children services agency (PCSA), and private noncustodial agency that serves as a child's custodian or as the supervising agency for a foster caregiver is specifically immune from any civil liability resulting from the agency's or foster caregiver's decision to allow a child to participate in extracurricular, enrichment, and social activities. However, the immunity applies **only** when the agency or foster caregiver makes the decision using the reasonable and prudent parent standard described above. The bill applies this immunity to a kinship caregiver and an agency supervising a kinship caregiver who uses the reasonable and prudent parent standard regarding a child's participation in the activities.

The bill also specifies that any alleged abused, neglected, or dependent child placed with a resource caregiver is entitled to participate in any age-appropriate extracurricular, enrichment, and social activities. Under current law, that entitlement extends only if the child is subject to out-of-home care. Correspondingly, the bill requires a resource caregiver to consider certain factors when determining whether to give permission for a child to participate in those activities, as is required currently of out-of-home care facilities. Under current law, those factors include all of the following:

1. The child's age, maturity, and developmental level to maintain the overall health and safety of the child;
2. The potential risk factors and the appropriateness of the extracurricular, enrichment, or social activity; and

3. The best interest of the child based on information known by the person or facility (under the bill, includes a resource caregiver) providing out-of-home care for the child.

The bill clarifies that a resource caregiver who grants permission for a child to participate in the activities is immune from liability in a civil action to recover damages for injury, death, or loss to person or property caused to the child, provided the three factors above were considered.

Restricted driver's license

(R.C. 4507.08)

The bill eliminates the six-month validity period for a medically restricted driver's license and, instead, requires the Registrar to determine the validity period.

Under current law, the Registrar is prohibited from issuing a driver's license or temporary instruction permit to any person who has a physical or mental disability or disease that prevents the person, in the Registrar's opinion, from exercising reasonable and ordinary control over a motor vehicle. However, the Registrar may issue the person a restricted license that is valid for six months when, based on a physician's statement, the Registrar determines that the condition is dormant or is sufficiently under medical control. Each six-month interval after the medically restricted license is issued, the holder must send to the Registrar an updated statement from a licensed physician indicating that the condition is under effective medical control. The bill instead requires the statement to be sent at intervals determined by the Registrar.

Commercial driver's licenses

Online driver's license, ID card, and CDL renewal

(R.C. 4507.061)

The bill provides for the online renewal of CDLs in a similar manner as driver's licenses and ID cards under current law. In so doing, the bill prohibits online renewal or issuance of any of the following:

1. A CDL temporary instruction permit;
2. An initial CDL; and
3. A nonrenewable CDL.

Eligibility criteria

The bill modifies two existing eligibility requirements for online renewal. First, when a person is renewing a driver's license or ID card (or, under the bill, a CDL) online, the applicant's current license or ID card must have been issued when the applicant was age 21 or older. Further, the applicant must be under age 65 at the time of application. Under current law, the applicant must be between 21 and 65 years of age, and the age at which the applicant's current license was issued is not relevant. Second, the bill authorizes U.S. permanent residents who reside in Ohio to renew driver's licenses, CDLs, and ID cards online. Currently only U.S. citizens who reside in Ohio are eligible for online renewal.

The bill also establishes two new eligibility criteria that apply only to the online renewal of a CDL. Namely, a CDL holder must:

1. Be in compliance with all laws governing CDL issuance, including self-certification and medical certificate requirements; and
2. Not be under any CDL restriction specified by federal regulations.

CDL temporary instruction permit

(R.C. 4506.06)

The bill specifies that a commercial driver's license temporary instruction permit (CDLTIP) is a prerequisite to obtaining a CDL only when the CDL requires the passage of a skills test in order to receive it. Under current law, a CDLTIP is a prerequisite to obtaining any CDL. The bill also extends the maximum validity period for a CDLTIP from six months to 12 months. Finally, it repeals law that allows the Registrar to renew a CDLTIP only once in a two-year period. These changes align Ohio law with the Federal Motor Carrier Safety Administration rules.

CDL skills test third-party examiners

(R.C. 4506.09)

Under current law and as authorized by federal law, the DPS Director may contract with third parties to administer the skills test given to applicants for a CDL or a specific endorsement on the CDL. Recent updates to federal regulations pertaining to the CDL skills tests, examining locations, and the examiners necessitate corresponding changes to Ohio's laws.

Currently, third party examiners must meet the same qualification and training standards as the DPS examiners and pass a criminal background check. The bill clarifies that as part of meeting the DPS standards, third party examiners must meet the standards for the class of vehicle and the endorsements for which an applicant taking the skills test is applying. For example, an examiner giving the skills test to an applicant for the S-endorsement (school bus) must personally meet the standards for that S-endorsement.

The bill also requires the contracted third party to schedule all skills test appointments through a system or method provided by the DPS Director. If the Director does not provide a system or method, the third party must submit a schedule of the skills test appointments to the Director weekly. The Director may request that any additions to the schedule, made after the weekly submission, be submitted at least two business days prior to the additional appointment. Under current law, the third parties must submit a schedule of skills test appointments to the Director at least two business days prior to each skills test.

Finally, the bill requires the third parties to keep a copy of their third-party agreement with the Director at their principal place of business. Current law requires third parties to maintain a variety of records at their business, including their CDL skills testing program certificate, their examiners' certificates of authorization to administer skills tests, completed skills test scoring sheets, a list of test routes, and a complete and accurate copy of their examiners' training records.

Fraudulent acts related to CDL testing

(R.C. 4506.04 and 4506.10)

The bill prohibits a person from knowingly providing false statements or engaging in any fraudulent acts related to CDL testing. A violation of the prohibition is a first degree misdemeanor. The Registrar also may cancel the offender's driver's license, CDL, CDLTIP, or any pending application for a license or permit. Current law includes a parallel provision that prohibits providing false information in any application for a CDL. That prohibition carries the same penalties as discussed above.

CDL disqualifications: human trafficking

(R.C. 4506.15, 4506.16)

The bill prohibits a CDL holder from using a commercial motor vehicle in the commission of a felony human trafficking offense. A violation is a first degree misdemeanor, which is in addition to any penalties imposed for the underlying conduct. Further, the bill establishes a lifetime disqualification from operating a commercial motor vehicle for a person who is convicted of violating the prohibition.

Strict liability declaration

The bill also clarifies that various offenses related to CDL holders are strict liability offenses, including the new offense specified above.

Motor vehicle OVI violation requiring surrender of CDL

(R.C. 4506.17)

The bill clarifies that a CDL holder or CDLTIP holder must immediately surrender the holder's CDL or permit to an arresting peace officer if the holder was operating a motor vehicle in violation of the state OVI law's (operating a vehicle while intoxicated) statutory limits for alcohol or a controlled substance. Current law requires the surrender when a holder exceeds the statutory limits for alcohol or a controlled substance under the CDL law, but it does specifically require the surrender when the violation involves the general state OVI law.

Other BMV services

Deputy registrar provisions

(R.C. 4503.03)

Current law allows the Registrar to designate the following persons to act as a deputy registrar:

1. A county auditor if the county population is 40,000 or less;
2. A clerk of a court of common pleas if the county population is 40,000 or less (if the county population is greater than 40,000, but less than 50,000, the clerk is eligible to act as a deputy registrar, but must participate in the competitive selection process);
3. An individual; or

4. A nonprofit corporation.

The bill eliminates the population restrictions that limit the counties in which a county auditor or clerk of court may serve. Thus, the Registrar may designate either the county auditor or clerk of court to serve as a deputy registrar in any county.

The bill then relieves the Registrar from the responsibility to appoint a deputy registrar in a county if the following apply:

1. No qualified individual or nonprofit corporation applies to be a deputy registrar via a competitive selection process or otherwise;
2. The clerk of court and county auditor do not agree to be designated as a deputy registrar; and
3. No deputy registrar in another county agrees to be designated for that county.

If the Registrar does not appoint a deputy registrar for a county, the Registrar may subsequently reestablish a deputy registrar for that county under the following circumstances:

1. The county auditor or clerk of court requests to be designated as a deputy registrar;
2. A deputy registrar operating an existing deputy registrar agency in another county requests to be designated as the deputy registrar for the county in question; or
3. A qualified individual or nonprofit corporation requests to be designated as a deputy registrar for that county. If more than one qualified individual or nonprofit corporation makes the request, the Registrar may make the designation via a competitive selection process.

As a result of these changes, the bill eliminates the requirement that a deputy registrar live within a one-hour commute from the deputy registrar's office. It also eliminates the prohibition against a deputy registrar operating more than one deputy registrar office at any time, thus allowing a person to operate multiple deputy registrar offices.

Permanent removable windshield placard

(R.C. 4503.038, 4503.44, 4511.69, 4731.481, and 4734.161)

The bill creates a permanent removable windshield placard with no expiration date that authorizes the use of accessible parking spaces for a person with a permanent disability that limits or impairs the ability to walk. The Registrar determines the form, size, material, and color of the permanent placard, but it must display the word "permanent" on it. Under current law, the BMV issues two types of removable windshield placards: a standard placard that expires five years after the date of issuance and a temporary placard that expires within six months. The temporary placard is issued to a person whose disability is expected to last for less than six months (e.g., a broken leg). Those with a permanent disability, under current law, must renew the standard placard every five years.

To obtain a permanent placard, an applicant must submit a completed application to the BMV that includes a prescription from an authorized health care provider stating that the applicant's disability is expected to be permanent. The cost of a permanent placard is \$15,

compared to \$5 for the temporary or standard placard. Similar to the temporary and standard placard, that fee is waived for an armed forces veteran whose disability is service-connected.

If a person who was issued a permanent placard no longer requires it, the person must notify and surrender the placard to BMV within ten days of no longer requiring the placard. That person may still apply for a temporary or standard placard, if applicable.

The bill consolidates and makes conforming changes within the statutory language pertaining to the three different types of removable windshield placards. However, it makes no substantive changes concerning the issuance, cost, or display of the temporary placard or standard placard.

Titling a motor vehicle from another state

(R.C. 4505.061)

Under current law, when a person applies for a certificate of title for a motor vehicle that was last registered in another state, a physical inspection of the motor vehicle is required. The inspection may be conducted at various locations specified in the law. A physical inspection includes a verification of the make, body type, model, and vehicle identification number of the motor vehicle. The bill requires the inspection to also verify the mileage of the vehicle. The bill also clarifies that the required physical inspection certificate must be issued specifically by the Registrar, rather than DPS as in current law.

Traffic and vehicle equipment laws

Seat belts and child restraint systems

(R.C. 4507.05, 4507.071, 4511.043, 4511.81, and 4513.263; conforming changes in R.C. 307.515, 733.40, 2152.21, 4501.11, 4513.35, and 5503.04)

The bill makes a violation of Ohio's seat belt laws a primary offense, rather than a secondary offense as under current law. A primary offense means that a law enforcement officer may issue a ticket for the offense solely for a violation of that offense. When an offense is a secondary offense, the law enforcement officer may only stop a driver if the driver is actively committing a primary offense at the same time as the secondary offense. Thus, under current law, if a driver is speeding and not wearing a seatbelt, an officer can cite the driver for both offenses. However, if a driver is driving legally and not wearing a seatbelt, the officer has no cause to cite the driver even though the driver is violating the seat belt law.

Under current law and the bill, the general prohibitions related to seat belts are the same. Namely, a person may not do any of the following:

1. Operate an automobile or school bus on any street or highway without wearing a seat belt;
2. Operate an automobile on any street or highway without ensuring that any front-seat passenger is wearing a seat belt;
3. Occupy the front seat of an automobile being operated on any street or highway without wearing a seat belt;

4. Operate a taxicab on any street or highway unless the seat belts are maintained in usable form; or

5. Occupy a motor vehicle driven by an operator who has either a learner's permit or a probationary driver's license without wearing a seat belt.

The bill also makes not using the proper child restraint system, booster seat, or seat belt a primary offense for all children up to age 15. Under current law, improperly securing a child who is less than age four and less than 40 pounds is a primary offense. However, properly securing a child between the ages of four (and 40 pounds) and 15 (typically by using a booster seat or seat belt) is a secondary offense.

Under continuing law, children must be properly secured in a child restraint system that meets federal motor vehicle safety standards. A person securing a child in a restraint system must do so in accordance with manufacturer's instructions. Examples of child restraint systems include car seats, booster seats, and seat belts. Which child restraint system is required for each child is based on the child's age, weight, height, the type of vehicle transporting the child, and the manufacturer's instructions for the system.

Emergency vehicles using flashing lights

(R.C. 4513.17)

The bill allows a vehicle being used on a road or highway for emergency preparedness, response, and recovery activities to use flashing amber lights if the vehicle is being operated by a person from one of the following:

1. The Ohio Emergency Management Agency;
2. A countywide emergency management agency; or
3. A regional authority for emergency management.

Generally, under current law, flashing lights are prohibited on motor vehicles, except as a means for indicating a right or a left turn, or in the presence of a vehicular traffic hazard requiring unusual care in approaching, or overtaking or passing. Current law provides for other exceptions to this prohibition, including certain flashing lights on all of the following: emergency vehicles, road service vehicles servicing or towing a disabled vehicle, stationary waste collection vehicles actively collecting garbage, rural mail delivery vehicles, highway maintenance vehicles, farm machinery and vehicles escorting farm machinery, and a funeral hearse or funeral escort vehicle.

Vehicle platoons

(R.C. 4511.34)

Under current law, outside of a municipal corporation, the driver of any truck or motor vehicle drawing another vehicle, while ascending to the crest of a grade beyond which the driver's view of the roadway is obstructed, must not follow within 300 feet of another truck or other motor vehicle drawing another vehicle. The bill exempts a vehicle platoon from this prohibition. A vehicle platoon is the linking of two or more vehicles using electronic

communication technology. The first connected vehicle in the platoon sets the speed and direction for the remaining connected vehicles, enabling all connected vehicles to follow the lead vehicle at a close distance. Connected vehicles are able to exchange information electronically with the lead motor vehicle, other vehicles in the platoon, other road users, and infrastructure.

Motor vehicle sales, dealers, and manufacturers

Motor vehicle sales

(R.C. 4517.01)

The bill expands the meaning of “person” under the Motor Vehicle Sales Law to expressly include financial institutions, thus clarifying that financial institutions are subject to the requirements, prohibitions, and penalties of that law. The current law definition already includes a variety of business entities; however, financial institutions were not expressly included in that list.

The bill also expands the meaning of “business” and “retail sale” within the Motor Vehicle Sales Law to encompass activities that are conducted and sales that occur through the internet or other computer networks. In recent years, numerous motor vehicle dealers, both established dealers and newer start-ups, have attempted to make the car buying process simpler by offering online buying options. The bill ensures that businesses selling motor vehicles online are still subject to BMV regulations pertaining to motor vehicle sales by expanding those definitions.

Additionally, the bill creates a definitive meaning of “established place of business,” which current law regulates, but does not define. Specifically, an established place of business is a permanent, enclosed building or structure that meets the following conditions:

1. It is owned, leased, or rented;
2. It meets local zoning or municipal requirements;
3. At least one person regularly occupies it;
4. It is easily accessible to the public;
5. The records and files necessary to conduct the business are generally kept and maintained at the location; and
6. It is not a residence, tent, temporary stand, storage shed, lot, or any temporary quarters.

Under law unchanged by the bill, motor vehicle dealers (new, used, and leasing), motor vehicle auction owners, and distributors are required to have an established place of business to sell, display, offer for sale, deal in, or lease motor vehicles.⁷³ Thus, the specified conditions for an established place of business could potentially prevent those that do not meet those conditions from licensure under the Motor Vehicle Sales Law.

⁷³ R.C. 4517.03, 4517.12, and 4517.13, not in the bill.

Manufacturer, dealer, and distributor vehicle registration

(R.C. 4503.27, 4503.271, 4503.28, 4503.30, 4503.301, 4503.31, 4503.311, 4503.312, 4503.32, 4503.33, and 4503.34)

The bill requires the Registrar to issue a license plate, rather than a placard as in current law, to vehicle manufacturers, dealers, distributors, and other similar professionals that require a temporary identification for the vehicles that are in their possession. Under law unchanged by the bill, the Registrar and BMV license and regulate motor vehicle manufacturers, dealers, and distributors. As part of that licensing, the Registrar assigns those entities a distinctive number. The Registrar, historically, issued the entity a placard displaying that distinctive number. The entity could then use the placard on its various vehicles when each of the vehicles was operated on the public streets and highways (e.g., during a test drive by a customer). According to the BMV, current practice is to issue a license plate, rather than a placard, for the entities to use on the vehicles.

In addition to the original license plate, a manufacturer, dealer, or distributor may request additional license plates with the same distinctive number. Having additional copies allows the entity to have multiple vehicles driven at the same time. The entity pays an annual \$5 fee for each additional license plate. Historically, the Registrar issued certified copies of the original certificate of registration for each of the additional placards. Currently, the Registrar issues instead an additional registration certificate with the same numbering as the original. The bill updates the registration laws related to motor vehicle manufacturers, dealers, and distributors to reflect the current practices.

Along with motor vehicle manufacturers, dealers, and distributors, other similar professionals use the temporary identification placards/license plates. The bill applies the same changes to license plates and additional certificates of registration to those professionals. Those professionals include:

- Manufacturers, dealers, and distributors of commercial cars, commercial tractors, trailers, or semitrailers;
- Those engaged in testing motor vehicles or motorized bicycles;
- Those who collect motor vehicles as the collateral of a secured transaction;
- Those transporting or holding motor vehicles for an insurance company for salvage disposition;
- Those engaged in salvage operations or scrap metal processing;
- Those testing motor vehicles as part of an Ohio nonprofit corporation;
- Those engaged in rustproofing, reconditioning, or installing equipment or trim on motor vehicles;
- Those engaged in manufacturing articles for attachment to motor vehicles;
- Towers (for the motor vehicle being towed to a point of storage);

- Those using trailers who are engaged in the business of selling tangible personal property other than motor vehicles;
- Manufacturers and dealers in watercraft trailers;
- Manufacturers, distributors, and retail sellers of utility trailers or trailers used for motorcycles, snowmobiles, or all-purpose vehicles; and
- A drive-away operator or trailer transporter (a person that transports new or used motor vehicles).

Licensee contact information

(R.C. 4517.23 and 4738.08; R.C. 2901.20, 2901.21, 4517.99 and 4738.99, not in the bill)

The bill prohibits a salvage motor vehicle dealer, salvage motor vehicle auction, salvage motor vehicle pool, and a motor vehicle dealer, leasing dealer, and distributor from failing to notify the Registrar of any change in status regarding the dealer's or distributor's contact information, including the relevant phone number and email address. The bill imposes a criminal penalty of a fourth degree misdemeanor for a violation of the prohibition but does not specify a culpable mental state (*mens rea*) necessary to commit the offense.

Under current law, dealers, auctions, pools, and distributors are prohibited from failing to notify the Registrar of changes to ownership personnel or the location of the principal place of business. The *mens rea* for commission of the current and new offenses are not specified. However, because current law requires criminal offenses enacted after March 23, 2015, to contain a culpable mental state, a court could determine that the new offenses established by the bill are void.

Salvage dealer provisional license

(R.C. 4738.071)

Under current law, prior to the issuance of a permanent motor vehicle salvage dealer license to an applicant for an initial license, the Registrar must issue a provisional license. A provisional license is valid for 180 days. During that time, the Registrar must inspect the premises of the provisional licensee to verify compliance with the law governing motor vehicle salvage dealers. The bill permits the Registrar to utilize an agent to inspect the place of business of the provisional licensee.

After a successful inspection of a provisional licensee's place of business, the bill requires the Registrar to issue a license without provisional status to the licensee. The bill eliminates a requirement that the Registrar provide written notice to the licensee that the license no longer has provisional status.

After an unsuccessful inspection, current law requires the Registrar to send notice of the revocation of the provisional license. The bill requires the Registrar to provide the notice in accordance with the Administrative Procedure Act (R.C. Chapter 119).

Used dealer provisional license

(R.C. 4517.10 and 4517.101)

The bill creates a provisional, 180-day, used motor vehicle dealer license, applicable for the first issuance of the license to an applicant. The provisional license is similar in structure to the provisional salvage motor vehicle dealer license. During the provisional license period, the Registrar, or the Registrar's agent, must inspect the dealer's place of business to determine compliance with the Used Motor Vehicle Dealer Law.

After the inspection, the inspector must notify the holder of whether the holder is currently in compliance. The inspector must then also notify the Registrar. If the provisional license holder is in compliance, the Registrar must issue a nonprovisional used motor vehicle dealer license. That license remains valid until its expiration date, unless it is suspended or revoked. If the provisional license holder is not in compliance, the Registrar must send a written notice, in accordance with the Administrative Procedure Act (R.C. Chapter 119), notifying the holder that the Registrar is revoking the provisional license and that the holder may appeal the revocation to the Motor Vehicle Dealers Board.

At the discretion of the Registrar, a person that currently holds a valid new motor vehicle dealer license may be exempt from obtaining a provisional used motor vehicle dealer license.

Corrective changes

(R.C. 4517.05, 4517.06, 4517.07, and 4517.08)

The bill makes corrective changes to several references in current law to an "annual renewal" for the used motor vehicle license, the motor vehicle leasing dealer's license, the motor vehicle auction owner's license, and the distributor's license. In practice, and in a separate reference for all of the licenses, they renew biennially.⁷⁴

Scrap metal and bulk merchandise container dealers

(R.C. 4737.04)

The bill authorizes DPS to investigate alleged violations of the law governing purchase, sorting, grading, and shipping scrap metal, bulk merchandise containers, and special purpose articles such as beer kegs, cable and electrical wire, grave markers, guard rails, street signs, light poles, historical markers, grocery carts, railroad materials, and metal trays ("Secondhand Dealer Law"). The Secondhand Dealer Law requires scrap metal dealers and bulk merchandise container dealers to register with DPS, keep detailed records of all transactions, and issue daily reports of those transactions to the DPS Director. Furthermore, the Law prohibits dealers from purchasing or receiving articles from persons identified on a list of known thieves or receivers of stolen property, maintained by local law enforcement and published by the DPS Director.

⁷⁴ R.C. 4517.10.

Appearance at dealer's place of business

During the course of an investigation, the bill authorizes DPS employees and designated representatives to appear at a registered dealer's place of business during normal business hours. While on the premises, the employee or representative may inspect articles, observe business transactions, and record license plate numbers of motor vehicles used to transport articles. If the investigation involves an unregistered person acting as a scrap metal dealer or bulk merchandise container dealer, the bill requires DPS employees and designated representatives to request the assistance of local law enforcement before appearing at the person's suspected place of business.

Cease and desist orders

The bill also establishes a procedure by which the DPS Director may seek to enjoin an unregistered person from acting as a scrap metal dealer or bulk merchandise container dealer. First, the Director may issue a show cause order directing the unregistered person to demonstrate why their business activities are not subject to registration under the Secondhand Dealer Law. The Director must issue notice of the order and hold a hearing in accordance with the Administrative Procedure Act (R.C. Chapter 119). Following the hearing, if the Director determines that the person's activities are subject to the registration requirement, the Director may issue an order directing the person to cease and desist the activities. The cease-and-desist order must identify the unregistered person and describe the prohibited business activities. The unregistered person may appeal the cease-and-desist order to the court of common pleas of Franklin County or the county where the person's business is located.

Prosecution

The bill authorizes the DPS Director to request that the Attorney General, county prosecutor, or city law director prosecute an alleged violation of the Secondhand Dealer Law, including a violation of a cease-and-desist order issued by the DPS Director to an unregistered person. A court of competent jurisdiction may grant an injunction or any other relief warranted by the facts.

The bill specifies that, for any proceeding in which a person claims to be exempt from the Secondhand Dealer Law, the burden of proof is on the person claiming the benefit of the exemption.

Scrap metal dealers

The bill specifies that, for the purposes of the Secondhand Dealer Law, a "scrap metal dealer" is the business engaged in scrap metal dealing, not the owner or operator of that business.

State Board of Emergency Medical, Fire, and Transportation Services

(R.C. 4765.02 and 4765.04)

The bill eliminates a requirement that each organization required to nominate persons to the State Board of Emergency Medical, Fire, and Transportation Services put forth three

nominees. Instead, it allows each organization to nominate any number of persons. As under current law, the Governor must then appoint a Board member from those nominees.

For example, one member of the Board must be a physician certified by the American Board of Emergency Medicine or the American Osteopathic Board of Emergency Medicine who is active in the practice of emergency medicine and is actively involved with an emergency medical service organization. The Ohio Chapter of the American College of Emergency Physicians and the Ohio Osteopathic Association must each nominate three persons for this position. Under the bill, each of these organizations may nominate any number of persons for the position. The Governor must then appoint the physician Board member from those nominees.

In addition, the bill does both of the following regarding the Board member who must be certified to teach emergency medical services training and who must hold a certificate to practice as an EMT, AEMT, or paramedic:

- Eliminates the requirement that the Governor appoint the member from among three persons nominated by the Ohio Emergency Medical Technician Instructors Association and the Ohio Instructor/Coordinators' Society; and
- Instead, requires the member to be appointed from among EMTs, AEMTs, and paramedics nominated by the Ohio Association of Professional Firefighters and EMTs, AEMTs, and paramedics nominated by the Northern Ohio Fire Fighters.

The bill specifies that if any organization required to make nominations to the Board ceases to exist or fails to make a nomination within 60 days of a vacancy, the Governor may appoint any person who meets the professional qualifications designated for that member.

Finally, the bill extends the potential time a member of the Board may continue in office if a successor does not take office from 60 days to three years. For reference, a Board member's term is three years.

The bill also eliminates a requirement that each organization required to nominate persons to the Board's Trauma Committee put forth three nominees. Instead, it allows each designated organization to nominate any number of persons. The DPS Director must then appoint members from those nominees. The bill specifies that if any nominating organization ceases to exist or fails to nominate a member within 60 days of a vacancy, the Director may appoint any person who meets the professional qualifications designated for that member.

The bill eliminates a restriction preventing the Director from appointing more than one member to the Trauma Committee who is employed by or practices in the same health system. It also allows the Director to appoint persons who practice at the same hospital or with the same emergency medical service (EMS) organization, provided they do not primarily practice at the same hospital or with the same EMS organization. Currently, the Director cannot appoint more than one member who is employed by or practices at the same hospital, health system, or EMS organization.

Emergency vehicle permits and ambulance inspections

(R.C. 4766.07)

The bill eliminates the requirement that the State Board of Emergency Medical, Fire, and Transportation Services issue or deny a permit application for an emergency medical vehicle or aircraft within 60 days of receiving the application. It also specifies that the Board must deny an application in accordance with the Administrative Procedure Act (R.C. Chapter 119).

The bill allows the Board to determine the sufficiency of an ambulance's medical equipment, communication system, and interior by applying a new set of standards that is not allowed under current law. Under current law, the Board must evaluate all of these interior components by applying the federal requirements for ambulance construction in effect at the time the ambulance was manufactured.⁷⁵ The bill also allows the Board to apply the national standard for ambulance construction approved by the American National Standards Institute (ANSI) in effect at the time the ambulance was manufactured. Thus, the Board has the option of either applying the federal standards or the ANSI standards.

Ohio Narcotics Intelligence Center

(R.C. 5502.69)

The bill codifies the Ohio Narcotics Intelligence Center in DPS. According to DPS, the Center was created by Governor DeWine in 2019 via Executive Order 2019-20D.

The Center must do all of the following:

1. Coordinate law enforcement response to illegal drug activities for state agencies and act as a liaison between state agencies and local entities for the purposes of communicating counter-drug policy initiatives;
2. Collect, analyze, maintain, and disseminate information to support law enforcement agencies, other government agencies, and private organizations in detecting, deterring, preventing, preparing for, prosecuting, and responding to illegal drug activities. The records received and created are confidential law enforcement investigatory records that are not considered a public record.
3. Develop and coordinate policies, protocols, and strategies that may be used by local, state, and private organizations to detect, deter, prevent, prepare for, prosecute, and respond to illegal drug activities; and
4. Develop, update, and coordinate the implementation of an Ohio drug control strategy to guide state and local governments and public agencies.

The DPS Director must appoint an executive director of the Center. The executive director must serve at the Director's discretion. The executive director must advise the Governor and the Director on matters pertaining to illegal drug activities. To carry out the duties assigned under

⁷⁵ As specified by the General Services Administration in various versions of its publication entitled, Federal Specification for the Star-of-life Ambulance, KKK-A-1822.

the bill, the executive director, subject to the direction and control of the Director, may appoint and maintain necessary staff and may enter into any necessary agreements.

State Hazard Mitigation Grant Program

(R.C. 5502.251)

The bill requires the DPS Director, in accordance with the Administrative Procedure Act (R.C. Chapter 119), to adopt rules to establish and administer a State Hazard Mitigation Grant Program. The Director must use the program to provide grants to eligible applicants to undertake actions that reduce the impact to people and property from hazards and disasters. An eligible applicant is any state agency or a municipal corporation, township, county, school district, or any other body corporate and politic that is responsible for government activities in a geographic area smaller than that of the state.

The rules must establish the following regarding the program:

1. A list of hazards and disasters for which grants may be issued;
2. Priorities for grant funding, including giving priority to applicants that intend to use grant money for both of the following:
 - a. To mitigate hazards and disasters that constitute the highest risk based on the state's hazard mitigation plan;
 - b. To undertake actions that mitigate risk during the recovery period following a disaster.
3. Eligibility requirements for applicants to receive a grant, including a requirement that all applicants have, at the time a grant is awarded, a current hazard mitigation plan approved by the Federal Emergency Management Agency;
4. A minimum percentage for nonstate matching funds to be provided by applicants;
5. Grant application forms and procedures for submitting the forms;
6. A requirement that mitigation projects be cost effective;
7. If grant money is to be used for purposes of acquisition of property and demolition actions at the property, a requirement that the property acquired must be deed restricted as open space in perpetuity; and
8. Any other requirements or procedures necessary to administer the program.

The bill exempts rules adopted by the Director governing the program from the law concerning reductions in regulatory restrictions.

Specific investigatory work product

(R.C. 149.43)

The bill specifies that "specific investigatory work product," as used in the definition of "confidential law enforcement investigatory record" and therefore exempted from public disclosure by the Public Records Law, means any record, thing, or item that documents the independent thought processes, factual findings, mental impressions, theories, strategies,

opinions, or analyses of an investigating officer or an agent of an investigative agency or prosecuting attorney and also includes any documents and evidence collected, written or recorded interviews or statements, interview notes, test results, lab results, preliminary lab results, and other internal memoranda, things, or items created during any point of an investigation. "Specific investigatory work product" does not include basic information regarding date, time, address, and type of incident.

PUBLIC UTILITIES COMMISSION

- Changes, from mandatory to permissive, the authority to aggregate Percentage of Income Payment Plan (PIPP) program customers for the purpose of a competitive procurement process for the supply of retail electric service for these customers.
- Transfers this authority from the Director of Development to the Public Utilities Commission (PUC).
- Removes the provision requiring PUC to design, manage, and supervise the competitive procurement process upon written request of the Director.
- Changes, from the Director to PUC, the rulemaking authority regarding the competitive procurement process for aggregated PIPP program customers.
- Requires PUC to inform the Director, if PUC decides to aggregate PIPP program customers and requires that to be done as soon as possible after the decision is made for the Director's consideration of possible universal service rider adjustments allowed under ongoing law.
- Specifies that the design for the competitive procurement process may include full or partial auctions of PIPP program customers to the extent necessary to transition these customers to the applicable standard service offer (SSO) price for retail electric service.
- Repeals the law that requires winning bids under a competitive procurement process for PIPP program customers to be designed to provide reliable competitive retail electric service to these customers, reduce PIPP program costs relative to the otherwise applicable SSO, and result in the best value for those paying the universal service rider.

Percentage of Income Payment Plan (PIPP) program

(R.C. 4928.54, 4928.543, and 4928.544; repealed R.C. 4928.542)

The bill changes the law to *permit* the PUC to aggregate percentage of income payment plan (PIPP) program customers to establish a competitive procurement process for the supply of competitive retail electric service for those customers. Currently, the law *requires* the Director of Development to aggregate PIPP program customers.

The bill requires PUC, rather than the Director, to adopt rules to implement the aggregated competitive procurement process for the aggregation. It also repeals the requirement that PUC design, manage, and supervise the competitive procurement process upon written request of the Director. Presumably, PUC would continue to be responsible for the design, management, and supervision of the process (and may adopt rules for this purpose), but without the requirement that PUC receive a written request from the Director before that could occur.

Under the bill, if PUC decides to aggregate PIPP program customers, PUC must inform the Director of the decision as soon as possible after making the decision. PUC must inform the

Director of the decision for the Director's consideration of possible universal service rider adjustments.

The bill implicitly allows the transition of PIPP program customers from a competitive procurement process to the applicable SSO price for electric service under ongoing competitive retail electric service law. To the extent necessary to transition PIPP customers, the bill expressly allows the design for the competitive procurement process to include full or partial auctions of PIPP program customers.

Repealed by the bill are requirements for winning bids selected through the competitive procurement process. Under the bill, the law will no longer expressly state that winning bids must meet the following requirements:

- Be designed to provide reliable competitive retail electric service to PIPP program customers;
- Reduce the cost of the PIPP program relative to the otherwise applicable SSO established in the competitive retail electric service law;
- Result in the best value for persons paying the universal service rider.

Background

In Ohio, low-income customers, for their electric utility service, may participate in the PIPP program administered by the Department of Development. Upon enrollment and proof of income eligibility, PIPP program customers pay lower monthly payments that, if paid on time and in full each month, reduce the customers' outstanding balances.⁷⁶ The program is funded by universal service revenues collected from (1) electric distribution customers through the universal service rider, a rider on retail electric distribution rates as determined by PUC and (2) PIPP program customer payments. PUC may make adjustments to the universal service rider after the Director petitions PUC for an increase in the rider. The Director must consult the Public Benefits Advisory Board before petitioning PUC for an adjustment.⁷⁷

⁷⁶ [Percentage of Income Payment Plan \(PIPP\)](http://development.ohio.gov), available at the Department of Development's website: development.ohio.gov.

⁷⁷ R.C. 4928.51 and 4928.52, not in the bill.

DEPARTMENT OF REHABILITATION AND CORRECTION

Targeted Community Alternatives to Prison (T-CAP)

- Changes the name “Targeting Community Alternatives to Prison” program to “Targeted Community Alternatives to Prison” program.
- Requires the Department of Rehabilitation and Correction (DRC) to establish deadlines for a voluntary county to indicate its participation in T-CAP before each state fiscal biennium.
- Requires a memorandum of understanding to set forth the plans by which the county will use the grant money provided to the county in the state fiscal years within the specified state fiscal biennium under T-CAP.

Public records – correctional and youth services employee

- Modifies the public records exception for “restricted portions of a body-worn or dashboard camera recording” by adding a reference to correctional employees and youth services employees in each place there is a reference to peace officers and law enforcement.

Adult Parole Authority termination of post-release control

- Modifies provisions that pertain to Adult Parole Authority (APA) functions with respect to the classification, as “favorable” or “unfavorable,” of the termination of an offender’s post-release control.

Full board hearings

- Removes the ability for a board hearing officer, a board member, or the Office of Victims’ Services to petition for a full parole board hearing.
- Provides that if a victim of certain offenses, the victim’s representative, or specified other persons request a full board hearing, those persons must do so through the Office of Victims’ Services.
- Permits certain family members of a victim to request, through the Office of Victims’ Services, for the board to hold a full board hearing and, if such a request is made, the majority of those present at the board meeting must determine whether a full board hearing will be held.
- Requires the parole board to grant a full board hearing request submitted by a prosecuting attorney.
- Allows the State Public Defender, when designated by DRC, to appear at a full board hearing and to give testimony or to submit a written statement.

Ohio Penal Industries GED requirement

- Requires DRC to allow prisoners working toward completion of a high school diploma or equivalent to participate in Ohio Penal Industries.

Victim conference communications

- Provides that communications during a victim conference are confidential and are not public records.

Sexual activity for hire – developmental disabilities

- Makes recklessly inducing, enticing, or procuring sexual activity for hire in exchange for a thing of value from a person with a developmental disability a third degree felony.

Disability intimidation

- Creates the offense of disability intimidation.

Targeted Community Alternatives to Prison (T-CAP)

(R.C. 2929.34 and 5149.38)

The bill changes the name “Targeting Community Alternatives to Prison” program to “*Targeted* Community Alternatives to Prison” program. It clarifies that in any voluntary county, the board of county commissioners and the Administrative Judge of the General Division of the Court of Common Pleas of the county may agree to have the county participate in the Targeted Community Alternatives to Prison (T-CAP) program by submitting a memorandum of understanding (MOU), either as a single county or jointly with other counties, to the Department of Rehabilitation and Correction (DRC) for approval.

The bill requires DRC to establish deadlines for a voluntary county to indicate the voluntary county’s participation in T-CAP before each state fiscal biennium. In reviewing a submitted MOU for approval, DRC must prioritize a voluntary county that has previously been a voluntary county. DRC may review a MOU for a new voluntary county if the General Assembly has appropriated sufficient funds for that purpose. Under current law, the MOU had to be submitted to DRC for approval by no later than September 1, 2022.

The bill requires the MOU to set forth the plans by which the county will use grant money provided to the county in the fiscal years within the state fiscal biennium. Under current law, the MOU must set forth the plans by which the county will use the grant money provided to the county in state FY 2023 and succeeding state fiscal years under T-CAP. Under continuing law, the MOU must specify the manner in which the county will address a per diem reimbursement of local correctional facilities for prisoners who serve a prison term under T-CAP. The per diem reimbursement rate must be determined and specified in the MOU.

Public records – correctional and youth services employee

(R.C. 149.43)

Under continuing law, “public record” means records kept by any public office. “Restricted portions of a body-worn or dashboard camera recording” is an exception to the Public Records Law. The definition of “restricted portions of a body-worn or dashboard camera recording” contains references to peace officers and law enforcement. When the references are made, the definition sometimes refers to correctional employees and youth services employees. The bill modifies the definition of “restricted portions of a body-worn or dashboard camera recording” by adding a reference to correctional employees and youth services employees in each place there is a reference to peace officers and law enforcement. “Restricted portions of a body-worn or dashboard camera recording” means any visual or audio portion of a body-worn camera or dashboard recording that shows, communicates, or discloses any of the following:⁷⁸

- The image or identity of a child or information that could lead to the identification of a child who is a primary subject of the recording when DRC, Department of Youth Services (DYS), or the law enforcement agency knows or has reason to know the person is a child based on its records or content of the recording (under continuing law);
- The death of a person or a deceased person’s body, unless the death was caused by a correctional employee, youth services employee, or peace officer or the consent of the decedent’s executor or administrator has been obtained (under continuing law);
- The death of a correctional employee, youth services employee, peace officer, firefighter, paramedic, or other first responder, occurring while the decedent was engaged in the performance of official duties, unless the consent of the decedent’s executor or administrator has been obtained (under continuing law);
- Grievous bodily harm, unless the injury was effected by a correctional employee, youth services employee, or peace officer or the consent of the injured person or the injured person’s guardian has been obtained (under continuing law);
- An act of severe violence against a person that results in serious physical harm to the person, unless the act and injury was effected by a correctional employee, youth services employee, or peace officer or the consent of the injured person or the injured person’s guardian has been obtained (under continuing law);
- Grievous bodily harm to a correctional employee, youth services employee, peace officer, firefighter, paramedic, or other first responder, occurring while the injured person was engaged in the performance of official duties, unless the consent of the injured person or the injured person’s guardian has been obtained (under continuing law);

⁷⁸ The As Introduced version of the bill contains an outdated version of R.C. 149.43, which was amended by Am. Sub. S.B. 288 of the 134th General Assembly, effective April 4, 2023. Therefore, the description of continuing law in this analysis (which is written to reflect the most recent version of R.C. 149.43) does not match the language in the bill.

- An act of severe violence resulting in serious physical harm against a correctional employee, youth services employee, peace officer, firefighter, paramedic, or other first responder, occurring while the injured person was engaged in the performance of official duties, unless the consent of the injured person or the injured person's guardian has been obtained (under continuing law);
- A person's nude body, unless the person's consent has been obtained (under continuing law);
- Protected health information, the identity of the person in a health care facility who is not the subject of a correctional, youth services, or law enforcement encounter, or any other information in a health care facility that could identify a person who is not the subject of a correctional, youth services, or law enforcement encounter (under the bill);
- Information that could identify the alleged victim of a sex offense, menacing by stalking, or domestic violence (under continuing law);
- Information that does not constitute a confidential law enforcement investigatory record, that could identify a person who provides sensitive confidential information to DRC, DYS, or a law enforcement agency when the disclosure of the person's identity or the information provided could reasonably be expected to threaten or endanger the safety or property of the person or another person (under continuing law);
- Personal information of a person who is not arrested, cited, charged, or issued a written warning by a peace officer (under continuing law);
- Proprietary correctional, youth services, or police contingency plans or tactics that are intended to prevent crime and maintain public order and safety (under the bill);
- A personal conversation unrelated to work between correctional employees, youth services employees, or peace officers or between a correctional employee, youth services employee, or peace officer and an employee of a law enforcement agency (under the bill);
- A conversation between a correctional employee, youth services employee, or peace officer and a member of the public that does not concern correctional, youth services, or law enforcement activities (under the bill);
- The interior of a residence, unless the interior of a residence is the location of an adversarial encounter with, or a use of force by, a correctional employee, youth services employee, or peace officer (under the bill);
- Any portion of the interior of a private business that is not open to the public, unless an adversarial encounter with, or a use of force by, a correctional employee, youth services employee, or peace officer occurs in that location (under the bill).

Adult Parole Authority termination of post-release control

(R.C. 2967.16)

The bill modifies law that currently pertains to functions of the Adult Parole Authority (APA) with respect to the termination of an offender's post-release control (PRC). PRC is imposed on specified categories of offenders convicted of a felony, upon their release from confinement in a state correctional institution. Under continuing law, when a prisoner released under a period of PRC has faithfully performed the conditions and obligations of the prisoner's PRC sanctions and has obeyed the APA's rules and regulations that apply to the prisoner or has the period of PRC terminated by a court, the APA may terminate the period of PRC and issue to the prisoner a certificate of termination. Specifically, the bill:

1. Replaces the provision that currently requires the APA to classify the termination as "favorable" or "unfavorable," depending on the offender's conduct and compliance with the supervision conditions, with a provision that instead authorizes the APA to classify the termination as "unfavorable" if the offender's conduct and compliance with the supervision conditions is unsatisfactory (it does not retain the references to a "favorable" classification);

2. Specifies that if the APA does not classify the termination of PRC as "unfavorable," the offender's conduct and compliance with the supervision conditions may not be considered as an "unfavorable" termination by a court under the provision, when considering the factors described in a specified provision of the Felony Sentencing Law at a future sentencing hearing for a felony. (The specified Felony Sentencing Law provision requires the sentencing court to consider a list of factors as indicating that the felon is likely to commit future crimes – the listed factors include that, at the time of committing the offense, the felon had been "unfavorably" terminated from post-release control for a prior offense, under the provision described above in (1) or under continuing law's R.C. 2929.141.)

3. In a provision that requires DRC, no later than January 6, 2003, to adopt a rule establishing the criteria for classification of a PRC termination as "favorable" or "unfavorable," eliminates the reference to "favorable."

Full board hearings

(R.C. 5149.101)

The bill removes the ability for a board hearing officer, a board member, or the Office of Victims' Services to petition for a full parole board hearing that relates to the proposed parole or re-parole of a prisoner. Under the bill, if a victim of certain offenses, the victim's representative, spouse, parent or parents, sibling, or child or children of a victim requests such a full board hearing, they must do so through the Office of Victims' Services.

A family member of a victim who is not listed above may also request for the board to hold such a full board hearing through the Office of Victims' Services. If such a request is made, the majority of those present at the board meeting must determine whether a full board hearing will be held.

Under the bill, if a prosecuting attorney requests such a full board hearing, the board is required to hold a full board hearing.

The bill allows the State Public Defender, when designated by the DRC, to appear at such a full board hearing and to give testimony or to submit a written statement, as permitted by the board.

Ohio Penal Industries GED requirement

(R.C. 5145.161)

The bill modifies the requirements of DRC's "program for employment of prisoners" by giving prisoners the opportunity to be assigned a job with the Ohio Penal Industries, or any other job level or grade of prisoner employment that the DRC Director may designate, if the prisoner is working toward the completion of, but has not yet obtained, a high school diploma or equivalent.

Victim conference communications

(R.C. 2930.16)

The Victim's Rights Law requires the APA to adopt rules providing for a victim conference upon request of the victim, a member of the victim's immediate family, or the victim's representative, prior to a parole hearing in the case of a prisoner who is incarcerated for the commission of aggravated murder, murder, or an offense of violence that is a felony of the first, second, or third degree or is under a sentence of life imprisonment. The rules must contain specified provisions. The bill requires the communications during a victim conference held pursuant to the Victim's Rights Law and the rules adopted by the APA to be confidential, and provides that they are not public records under the Public Records Law.

Sexual activity for hire – developmental disabilities

(R.C. 2907.231)

The bill creates the offense of "engaging in prostitution with a person with a developmental disability," which prohibits a person from recklessly inducing, enticing, or procuring another to engage in sexual activity for hire in exchange for the person giving anything of value to the other person if the other person is a person with a developmental disability and the offender knows or has reasonable cause to believe that the other person is a person with a developmental disability. "Engaging in prostitution with a person with a developmental disability" is a third degree felony.

Disability intimidation

(R.C. 2927.12)

The bill creates the offense of disability intimidation. The new offense prohibits a person from committing aggravated menacing, menacing, criminal damaging or endangering, criminal mischief, or specified telecommunications harassment offenses (see below) by reason of the disability of another person or group of persons if the other person is a person with a disability, the person knows or reasonably should know that the other person is a person with a disability,

and it is the person's specific purpose to commit the offense against a person with a disability. A person who violates the provision is guilty of disability intimidation, an offense of the next higher degree than the offense the commission of which is a necessary element of disability intimidation.

Specified telecommunications harassment

Under continuing law, telecommunications harassment prohibits a person from making or causing to be made a telecommunication, or knowingly permitting a telecommunication to be made from a telecommunications device under a person's control, to another, if the caller engages in various additional conduct.

The disability intimidation offense created by the bill applies only in those cases of telecommunications harassment where the caller (1) commits aggravated menacing during the call, (2) knowingly states to the recipient of the telecommunication that the caller intends to cause damage to or destroy public or private property, and the recipient, any member of the recipient's family, or any other person who resides at the premises to which the telecommunication is made owns, leases, resides, or works in, will at the time of the destruction or damaging be near or in, has the responsibility of protecting, or insures the property that will be destroyed or damaged, or (3) knowingly makes the telecommunication to the recipient of the telecommunication, to another person at the premises to which the telecommunication is made, or to those premises, and the recipient or another person at those premises previously has told the caller not to make a telecommunication to those premises or to any persons at those premises.⁷⁹

⁷⁹ R.C. 2917.21(A)(3), (4), and (5), not in the bill.

SECRETARY OF STATE

Safe at home fines

- Allows courts to retain for administrative purposes up to 25% of fines collected by the court for the Address Confidentiality Program administered by the Secretary of State.
- Allows a court to assign to the prosecuting attorney as reimbursement up to 25% of fines collected by the court for the Address Confidentiality Program administered by the Secretary of State.

Precinct election official training

- Requires SOS to make grants to the boards of elections to pay the cost of precinct election official training programs, instead of reimbursing counties for those costs.

Safe at home fines

(R.C. 2929.18 and 2929.28)

The bill allows a court that imposes a fine for the Address Confidentiality Program to retain up to 25% of amount collected to cover administrative costs and to assign up to 25% of the amount collected to reimburse the prosecuting attorney for costs associated with prosecution of the offense. In addition to any other fine that is or may be imposed on an offender for domestic violence, menacing by stalking, rape, sexual battery, or trafficking in persons, the court under continuing law may impose a fine of between \$75 and \$500 to be transmitted to the State Treasurer to be credited to the Address Confidentiality Program Fund. The Address Confidentiality Program allows a victim of domestic violence, menacing by stalking, human trafficking, trafficking in persons, rape, or sexual battery who fears for safety as a victim to apply to the Secretary of State for address confidentiality.

Precinct election official training

(R.C. 3501.27)

The bill requires SOS to make grants to the boards of elections to pay the cost of precinct election official training programs, instead of reimbursing counties for those costs. Under existing law, SOS must reimburse counties for those costs upon receiving an itemized statement of expenses.

DEPARTMENT OF TAXATION

Income tax

- Increases the income tax dependent exemption amount by \$2,500 for each dependent under age 18, beginning for 2023.
- Removes the requirement for employers who withhold and remit employee income taxes on a partial weekly basis to file quarterly reconciliation returns, instead requiring such employers to file an annual return, starting in 2024.

Municipal income taxes

- Corrects an erroneous cross-reference governing the deduction of net operating losses and requires municipal corporations to incorporate the change in 2023.
- Requires the Department of Taxation (TAX) to provide information to municipal corporations on any businesses that had municipal taxable income apportioned to such a municipal corporation in the preceding six months as opposed to in any prior year.
- Requires a municipal corporation to notify TAX any time there is a decrease in the municipal corporation's income tax rate.

Sales and use tax

- Exempts children's diapers, creams, and wipes and car seats, cribs, and strollers from sales and use tax, beginning October 1, 2023.
- Allows the Tax Commissioner to cancel a sales tax vendor's license obtained while another of the vendor's licenses is suspended or by any person that makes retail sales without a vendor's license on more than one occasion.
- Modifies the criminal penalties and culpable mental state for certain sales and use tax offenses.

Commercial activity tax

- Delays the year in which a commercial activity tax (CAT) credit for certain net operating losses accrued under the defunct corporation franchise tax becomes refundable, rather than nonrefundable, from calendar year 2030 to 2040.
- Clarifies a CAT provision that governs how gross receipts from transportation and delivery services are allocated to Ohio.

Financial institutions tax

- Clarifies which entities are included in a taxpayer group subject to the financial institutions tax (FIT).
- Repeals an expired FIT deduction allowed for investments in a qualifying real estate investment trust.

Sports gaming tax

- Increases the sports gaming receipts tax rate, from 10% to 20%, beginning July 1, 2023.

Cigarette tax

- Extends the deadline for renewing annual cigarette tax licenses to June 1 instead of the 4th Monday in May.

Fuel use tax

- Imposes personal liability for the fuel use tax on individual owners, employees, officers, and trustees who are responsible for reporting and paying the tax for a taxpayer.

Tax credits

Low-income housing tax credit

- Authorizes a nonrefundable credit against the insurance premiums, financial institutions, or income tax for the development of low-income rental housing that is awarded in conjunction with the federal low-income housing tax credit (LIHTC).
- Allows the Ohio Housing Finance Agency (OHFA) to reserve a state tax credit for any project in Ohio that receives a federal LIHTC allocation, as long as the project is located in Ohio and begins renting units after July 1, 2023.
- Prohibits OHFA from reserving any credits after June 30, 2027.
- Generally limits the amount of state credits that may be reserved in a fiscal year to \$100 million, but allows unreserved credit allocations and recaptured or disallowed credits to be added to the credit cap for the next fiscal year.
- Limits the amount of credit reserved for any single project to an amount necessary, when combined with the federal credit, to ensure financial feasibility.
- Requires OHFA to reserve credits in a manner that ensures projects create additional housing units they would not otherwise create.

Single-family housing development credit

- Authorizes a nonrefundable tax credit against the insurance premiums, financial institutions, or income tax for investment in the development and construction of affordable single-family homes.
- Requires local governments and quasi-public development entities to submit applications for the credit, but allows them to allocate credits to project investors.
- Allows OHFA to reserve a tax credit for any project in Ohio that may qualify for the credit, as long as the project meets affordability qualifications adopted by OHFA.
- Prohibits OHFA from reserving any credits after June 30, 2027.

- Generally limits the amount of credits that may be reserved in a fiscal year to \$50 million, but allows unreserved credit allocations and recaptured or disallowed credits to be added to the credit cap for the next fiscal year.
- Limits the amount of credit reserved for any single project to the amount by which the fair market value of the project's homes exceed the project's development costs.

Film and theater credit

- Increases the total amount of film and theater tax credits that may be awarded each fiscal year, from \$40 million to \$75 million.

Historic building rehabilitation credit

- Increases, from \$60 million to \$120 million, the amount of historic building rehabilitation tax credits that DEV may award in FY 2025.

Job creation and retention credits

- Authorizes the Tax Credit Authority to adjust the amount that a noncompliant taxpayer must repay from a job creation or job retention tax credit one time within 90 days after initially certifying a repayment.

Research and development credits

- Modifies the manner in which a taxpayer that consists of multiple individuals or entities may compute and claim a research and development (R&D) tax credit against the FIT or CAT.
- Requires a taxpayer claiming a R&D credit to retain records substantiating the claim for four years.
- Allows TAX to audit a representative sample of a taxpayer's R&D expenses to verify that the taxpayer correctly computed the R&D credit.

Tax administration

- Authorizes TAX to send any tax notice currently required to be sent by certified mail by ordinary mail or electronically.
- Removes a requirement that taxpayers must consent to electronic delivery before receiving certain tax notices electronically.
- Removes required recordkeeping standards a delivery service must meet before it may be used by TAX to deliver tax notices.
- Requires county auditors to accept real property and manufactured home conveyance forms electronically.
- Eliminates a requirement that taxpayers file amended reports with respect to the defunct corporation franchise tax.
- Streamlines the authority of TAX to share confidential tax information with state agencies.

- Directs the Tax Commissioner and Treasurer of State to jointly study and design a tax-favored savings account for home purchases and improvements.

Local Government and Public Library Funds

- Permanently increases the percentage of state tax revenue that the Local Government Fund (LGF) and Public Library Fund (PLF) each receive per month, from 1.66% to 1.7%.

Income tax

Dependent exemption increase

(R.C. 5747.025)

The bill increases the income tax exemption amount available for a dependent under age 18 by \$2,500. Under continuing law, a taxpayer can claim a tax exemption for themselves, their spouse, and each dependent. Typically, dependents are 18 or younger, though adults who are supported by the taxpayer may also qualify. For 2022, the exemption amount for each person ranges from \$1,900 to \$2,400, depending on the taxpayer's income. These amounts are adjusted for inflation each year.

Beginning for 2023, the exemption amount for each dependent under 18 will increase by \$2,500. For example, for 2022, a taxpayer who earns \$40,000 per year and has one dependent can claim \$2,400 for that dependent. Beginning for 2023, the taxpayer may claim \$4,900 (\$2,500 + \$2,400, before adjusting the latter amount for inflation). The \$2,500 increase does not adjust with inflation.

Eliminate quarterly employer reconciliation return

(R.C. 5747.07 and 5747.072; Section 803.60)

The bill removes the requirement in current law that employers who withhold and remit employee income taxes on a partial weekly basis, i.e., two times in a single week, file quarterly withholding reconciliation returns. Instead, these employers will only be required to file the annual reconciliation returns required for other employers under continuing law starting on January 1, 2024. Reconciliation returns allow an employer to calculate and pay any required employee withholding that was not remitted in the preceding period.

Under continuing law, employers are required to remit employee withholding on a partial weekly basis if they withhold and accumulate a significant amount of it. Employers with smaller accumulated withholding may remit it monthly or quarterly.

Municipal income taxes

Net operating loss deduction cross-reference

(R.C. 718.01; Section 803.10)

The bill corrects an erroneous cross-reference in the municipal income tax law governing the deduction of net operating loss (NOL). From 2018-2022, a business was allowed to deduct 50% of its NOL from its taxable net profits. Beginning in 2023, the 50% limitation is discontinued

and a business may deduct the full amount of its NOL. The bill's correction clarifies that the 50% limitation ceases to apply in 2023. The bill requires municipalities that levy an income tax to incorporate this cross-reference change into their municipal tax ordinances and apply it to taxable years beginning in 2023.

Net profits tax reports and notifications

(R.C. 718.80 and 718.84; Section 803.80)

Under continuing law, a business that operates in multiple municipalities, and is therefore subject to multiple municipal income taxes, may elect to have the Department of Taxation (TAX) serve as the sole administrator for those taxes. For electing taxpayers, a single municipal net profit tax return is filed through the Ohio Business Gateway for processing by TAX, which handles all administrative functions for those returns, including distributing payments to the municipalities, billing, assessment, collections, audits, and appeals. The bill modifies, as described below, the reporting and notification requirements associated with this state-administered municipal net profits tax.

TAX's municipal income tax report

The bill requires that twice a year, in May and November, TAX provide information to municipalities on any businesses that had net profits apportioned to the municipality, as reported to TAX, in the preceding six months only. (Net profits apportionable to the municipality, e.g., earned in the municipality, are generally subject to the municipality's income tax.) Under current law, this twice-per-year notification is required to list information for businesses that had net profits apportioned to the municipality in any prior year. This change applies to reports required to be filed after the bill's 90-day effective date.

Rate decrease notification

Under continuing law, by January 31 of each year, a municipal corporation levying an income tax must certify the rate of the tax to TAX. If the municipality increases the rate after that date, the municipality must notify TAX of the increase at least 60 days before it goes into effect. The bill requires a municipality to notify TAX, within the same 60-day notice period, when there is any change in its municipal income tax rate, including a decrease.

Sales and use tax

Baby product exemption

(R.C. 5739.01 and 5739.02; Section 803.50)

The bill exempts, beginning October 1, 2023, children's diapers, creams, and wipes and car seats, cribs, and strollers from sales and use tax. Under continuing law, sales of both children and adult diapers are exempt during the first weekend of August each year as part of Ohio's "sales tax holiday" for school supplies and clothing. In addition, adult diapers are exempt under continuing law if sold to a Medicaid recipient pursuant to a prescription.

Vendor's license suspensions

(R.C. 5739.31)

Continuing law requires every retail vendor to obtain a vendor's license from TAX or a county auditor and collect and remit state and local sales taxes. TAX may suspend the license of a vendor that repeatedly fails to timely file sales tax returns or remit taxes.⁸⁰ A vendor with a suspended vendor's license is prohibited from obtaining another vendor's license from TAX or "the" county auditor during the suspension period. The bill clarifies that the prohibition on duplicate licenses applies to those obtained from any – as opposed to "the" – county auditor. The bill also allows TAX to cancel any duplicate vendor's license obtained by a vendor during the suspension period or obtained by any person who has violated the prohibition on making retail sales without holding a vendor's license more than once.

Criminal penalties and mental states

(R.C. 5739.99)

The bill modifies the criminal penalties for certain sales and use tax offenses. In particular, the bill classifies several offenses, typically to the closest classified misdemeanor or felony based on current penalties:

Offense	Current penalty	Classification and penalty under the bill
Failure to pay or collect sales or use tax, or providing a false tax exemption certificate	Fine between \$25-\$100 for the first offense; for each subsequent offense, a fine between \$100-\$500 (corporations) or between \$25-\$100 and imprisonment of up to 60 days (individuals).	Minor misdemeanor of the first offense (up to \$150 fine); for each subsequent offense, a misdemeanor of the third degree (fine of up to \$500 or imprisonment of up to 60 days).
Failing to file a sales or use tax return or filing a fraudulent return	Fine between \$100-\$1,000 or imprisonment of up to 60 days.	Misdemeanor of the third degree.
Making retail sales without a vendor's license	Fine between \$25-\$100 for the first offense, and a felony of the fourth degree; for each subsequent offense (fine of up to \$5,000 or imprisonment of 6-18 months).	Minor misdemeanor for the first offense; misdemeanor of the first degree for the second offense (fine of up to \$1,000 or imprisonment of up to 180 days); felony of the fourth degree for each subsequent offense.
Making retail sales as a transient	Fine between \$100-\$500 or imprisonment of up to 10 days for the first offense; for each subsequent	Minor misdemeanor for the first offense; misdemeanor of the fourth degree for each subsequent offense

⁸⁰ R.C. 5739.30(B)(2), not in the bill.

Offense	Current penalty	Classification and penalty under the bill
vendor without a license	offense, a fine of between \$1,000-\$2,500 or imprisonment of up to 30 days.	(fine of up to \$250 or imprisonment of up to 30 days).
Making retail sales with a suspended license	Felony of the fourth degree.	Misdemeanor of the first degree for the first offense; felony of the fourth degree for each subsequent offense.

The bill also lowers the requisite culpable mental state for these offenses, from “recklessly” to “negligently.” Current sales tax law does not specify a mental state for the offenses described above, but under continuing law generally, if no mental state is specified, “recklessly” is considered the default.⁸¹ A person acts recklessly when with heedless indifference to the consequences, the person disregards a substantial and unjustifiable risk that the person’s conduct is likely to cause a certain result or is likely to be of a certain nature. The bill overrides this default rule by only requiring negligence on the part of the offender, i.e., because of a substantial lapse from due care, the offender fails to perceive or avoid a risk that the offender’s conduct may cause a certain result or may be of a certain nature.⁸²

Commercial activity tax

Tax credit for prior net operating losses

(R.C. 5751.53 and 5751.98)

The bill delays the year in which a commercial activity tax (CAT) credit for certain net operating losses accrued under the defunct corporation franchise tax (CFT) becomes refundable, rather than nonrefundable, from calendar year 2030 to 2040.

In 2005, the CFT was repealed, and corporations were required to begin paying the CAT. At that time, corporations were allowed a tax credit to offset some of the immediate financial statement effects of losing the ability to deduct net operating losses and certain other deferred tax items on the business’s CFT returns. The credit, which allows the corporation to claim those losses against the corporation’s CAT liability, is currently nonrefundable until 2030, at which time any remaining balance becomes refundable.

Situsing of transportation services

(R.C. 5751.033; Section 803.30)

The bill clarifies a CAT provision that governs how gross receipts from transportation and delivery services are allocated, or “sitused,” to Ohio. The bill specifies that this situsing provision applies to services provided by common carriers, rather than motor carriers. The term “motor

⁸¹ R.C. 2901.21(C)(1), not in the bill.

⁸² R.C. 2901.22, not in the bill.

carriers” applies only to transportation or delivery by motor vehicle, while the phrase “common carriers” includes transportation by other means, such as trains and aircraft.

The statute had previously applied to common carriers, but, in 2012, the terminology was changed as part of a larger overhaul of motor carrier regulations.⁸³ The bill states that this change is intended to be remedial and to clarify the law as it existed before the amendment.

Financial institutions tax

Financial institution taxpayer group

(R.C. 5726.01; Section 803.70)

Continuing law imposes the financial institutions tax (FIT) on financial institutions, including all entities that are reported on the institution’s federal regulatory FR Y-9 or call report. The bill clarifies that a “financial institution” includes all of the entities consolidated, rather than “included,” in the institution’s report. The bill further clarifies that, in the case of a small bank holding company that is not required to file a FR Y-9 under federal law, the financial institution includes all of the entities that would be included in statement FR Y-9 if the company were required to file one.

Repeal deduction for REIT investments

(R.C. 5726.04; repealed R.C. 5726.041)

The bill repeals an expired FIT deduction that was allowed for an institution’s investment in a qualifying real estate investment trust. The deduction was available between 2014, the first year the FIT was levied, and 2017. It essentially allowed an institution that owned shares of a publicly traded REIT to phase in the value of that investment into the institution’s tax base over those four years.

Sports gaming tax

Tax rate

(R.C. 5753.021; Section 803.40)

The bill increases the rate of the state’s sports gaming tax, from 10% to 20%. Under the continuing law, the tax is levied on the “sports gaming receipts” of online and in-person sports gaming businesses, other than those that offer gaming through lottery terminals. A business’ sports gaming receipts include the total amount the business receives as wagers, less winnings paid, voided wagers, and, beginning in 2027, a portion of the promotional gaming credits wagered by patrons.

The rate increase applies to sports gaming receipts received on and after July 1, 2023.

⁸³ H.B. 487 of the 129th General Assembly.

Cigarette tax

License renewal deadline

(R.C. 5743.15; Section 757.10)

The bill extends the deadline for renewing annual cigarette tax licenses. Under continuing law, a retailer, wholesaler, importer, or manufacturer of cigarettes is required to hold a license issued by TAX before selling or otherwise trafficking in cigarettes in Ohio. Such cigarettes are subject to state and county cigarette excise taxes. Under current law, each license expires on, and must be renewed by, the 4th Monday in May. The bill extends the renewal deadline to June 1.

The bill applies the renewal extension to existing licenses, so those licenses will remain valid until June 1, 2024, rather than May 27, 2024.

Fuel use tax

Personal liability

(R.C. 5728.16)

The bill imposes personal liability for the fuel use tax on individual owners, employees, officers, and trustees who are responsible for reporting and paying the tax on behalf of a business taxpayer. An individual's personal liability under the bill is not discharged by the dissolution, termination, or bankruptcy of the business. If more than one individual has personal liability under the bill for the unpaid taxes, all of those individuals will be joint and severally liable. Several other state taxes have similar personal liability imposed.⁸⁴

Fuel use tax background

In addition to a motor fuel tax imposed on motor fuel dealers, the state imposes a motor vehicle fuel use tax on heavy trucks on the amount of motor fuel consumed in Ohio, but purchased outside Ohio. The rate of this tax is the same as for the dealer-imposed motor fuel tax. A refund or credit is allowed for the fuel use tax on fuel purchased in Ohio for use in another state, provided that the other state imposes a tax on such fuel and allows a similar credit or refund.

Tax credits

Low-income housing tax credit

(R.C. 175.16, 5725.36, 5726.58, 5729.19, and 5747.83 with conforming changes in R.C. 175.12, 5725.98, 5726.98, 5729.98, and 5747.98)

The bill authorizes a nonrefundable tax credit for the development of low-income rental housing that is awarded in conjunction with an existing federal low-income housing tax credit (LIHTC). The credit may be claimed against the insurance premiums, financial institutions, or income tax. The Director of the Ohio Housing Finance Agency (OHFA) reserves credit amounts for

⁸⁴ E.g., R.C. 5735.40 (motor fuel tax), 5743.57 (tobacco and vapor products taxes), and 5747.07 (employer income tax withholding), not in the bill.

federal LIHTC projects up to the amount necessary to ensure the project's financial feasibility. The total amount of state credits reserved by OHFA is limited to \$100 million per fiscal year, though unreserved or recaptured amounts in one fiscal year may be carried forward and reserved in the next. Eligibility begins for projects placed in service on or after July 1, 2023, and OHFA is prohibited from reserving credits after June 30, 2027.

Federal LIHTC

The federal LIHTC is a federal income tax credit that offsets a portion of a developer's construction costs in exchange for reserving a certain number of rent-restricted units for lower-income households in a new or rehabilitated facility. In Ohio, the federal LIHTC is administered by the OHFA.

To receive a federal LIHTC, developers must apply to OHFA before undertaking a project. If the project preliminarily qualifies for credit, based on federal criteria and the state's allocation plan, OHFA may set aside (or "allocate") a credit. Receipt of the credit is contingent upon completion of the project and the project entering service, i.e., beginning to rent units, generally within two years of allocation.⁸⁵ In practice, developers typically sell the rights to claim federal LIHTCs upon receiving an allocation to secure up-front financing necessary to undertake the project.

Ohio LIHTC

Any project that is allocated a federal LIHTC may also qualify for the bill's Ohio LIHTC, as long as the project is located in Ohio and placed into service at any time on or after July 1, 2023.

Reserved credit

A developer does not need to separately apply for the Ohio LIHTC. Instead, OHFA may reserve a state credit for any qualified project when allocating a federal LIHTC. When reserving a state credit, OHFA must send written notice of reservation to each of the qualified project's owners, which must include the aggregate amount of the credit reserved for all years of the qualified project's ten-year credit period and state that the receipt of the credit is contingent upon issuance of an eligibility certificate after the project is placed into service. After receipt of that notice, the projects owners must identify to OHFA the party that will issue annual credit allocation reports to OHFA (see "***Claiming the credit and reporting requirements,***" below). This "designated reporter" may be the owner or its member, shareholder, or partner.

The amount of credit reserved for any particular qualified project is determined by OHFA, but in no case may the reserved credit, combined with the allocated federal credit, exceed the amount necessary to ensure the financial feasibility of the project. The bill additionally requires OHFA to reserve credits in a manner that ensures the qualified project is creating housing units that would not otherwise be created.

⁸⁵ 26 U.S.C. 42.

Awarded credit

After the project for which a credit is reserved is placed into service and OHFA approves the federal LIHTC, OHFA must issue an eligibility certificate to each project owner and send a copy to TAX and the Superintendent of Insurance (INS). The certificate must state the amount of the credit that may be claimed for each year of the ten year credit period, which is the lesser of:

- The amount of the federal LIHTC that would be awarded for the first year of the federal credit period absent a first-year reduction required by federal law;
- $\frac{1}{10}$ of the reserved credit amount stated in the notice reserving the state LIHTC.

This provision effectively caps the amount of a state LIHTC at the amount of the corresponding federal credit.

Claiming the credit and reporting requirements

The bill allows the qualified project's owners, or the equity owners of a pass-through entity that is the project owner, to claim the state LIHTC. An owner is a person holding a fee simple or ground lease interest in the project. The credit may be applied against more than one tax over more than one year, and the credit may be allocated amongst various owners and their equity owners by agreement. The total credits claimed in connection with the applicable year of the project's credit period must not, however, exceed the amount stated on the eligibility certificate. Even though the credit is nonrefundable, any unclaimed amounts may be carried forward for up to five years.

Each year, a project's designated reporter must report to OHFA a list of each project or equity owner that has been allocated a portion of the credit awarded for that year, the amount that has been allocated to each, the tax each portion will be claimed against, and the aggregate credit amount allocated, which must not exceed the credit amount listed on the eligibility certificate. Any changes to this information must also be reported to OHFA within a time frame that OHFA must prescribe. A credit cannot be claimed without being listed on this annual report. Information in the report is not a public record, except for the aggregate amount of credits allocated.

Recapture

Federal law allows for the recapture of federal LIHTCs. Under the bill, if any portion of the federal LIHTC allocated to a qualified project is recaptured, OHFA must recapture a proportionate amount of the state credit allocated to the same project. To effectuate this recapture, OHFA must request that TAX or INS, as applicable, issue an assessment to recover any previously claimed credit. Statutes of limitations that normally apply to the issuance of tax assessments, i.e., three or four years after the tax is due, do not apply to these assessments.

Fees and rules

The bill allows OHFA to assess application, processing, and reporting fees to cover the cost of administering the tax credit. It also allows the OHFA, in consultation with TAX and INS, to adopt rules necessary to administer the credit. The bill specifies that these rules are not subject to the requirements in continuing law governing agency review of rules to identify regulatory

restrictions. In addition, with respect to those rules, OHFA is exempted from the provision of that law requiring the removal of two regulatory restrictions upon adoption of one regulatory restriction.

Single-family housing development credit

(R.C. 175.17, 5725.37, 5726.59, 5729.20, and 5747.84 with conforming changes in R.C. 175.12, 5725.98, 5726.98, 5729.98, and 5747.98)

The bill authorizes a nonrefundable tax credit against the insurance premiums, financial institutions, or income tax for investment in the development and construction of affordable single-family homes. To obtain a credit, a local government or quasi-public development entity, in partnership with a private “development team,” must submit an application to OHFA. Upon approving an application, OHFA reserves a credit for the applicant to be awarded when the project is completed. The credit equals the amount by which the fair market value of the project’s completed homes exceed the project’s development costs. The applicant may allocate credits to taxpayers of the credit-eligible taxes who invest capital in the project. The total credit amount is claimed in equal increments over the ten years after the project’s completion, and each project home is subject to an OHFA-prescribed affordability requirement for the ten years following its initial sale to a qualified buyer (“affordability period”).

Application process

A county, township, municipal corporation, regional planning commission, community improvement corporation, economic development corporation, port authority, or county land reutilization corporation, i.e., a land bank, may apply for a credit. Each application must identify a project’s development team, a person that will make annual credit allocation reports on behalf of the applicant (“designated reporter”), and an estimate of the project’s total development costs. OHFA may charge application, processing, and reporting fees to cover the cost of administering the credit.

Credit reservation and limits

The bill requires OHFA to develop a plan for competitively awarding tax credits by establishing criteria and metrics by which projects will be evaluated. OHFA is allowed to reserve a credit for any single-family housing development project that is located in Ohio and that meets the plan’s qualifications. OHFA’s plan may allocate credits in a pooled manner. The bill sets forth several criteria, described below, that OHFA may consider when evaluating applications, but allows OHFA to adopt rules, in consultation with TAX and INS, specifying the exact criteria to be considered.

Suggested criteria to consider

Underwriting criteria to assess the risk associated with a project and criteria by which the sponsoring applicant shall be responsible for risk associated with the project, such as homeowner abandonment, default, or foreclosure.

Requirements that the applicant provide capital assets or other investments to the project.

Suggested criteria to consider

Criteria regarding the purchase, ownership, and sale of completed project homes.

Measures to maintain affordability of project homes during the affordability period, which may include a deed restriction for some or all of the tax credit value or appreciated value of the home.

OHFA must notify each applicant, in writing, whether or not the applicant's project is approved for a credit reservation. If a project is approved, the notice will include the tax credit reservation amount with the stipulation that final receipt of the credit is contingent upon the project's completion and meeting certain reporting requirements. The amount of credit reserved for any single project is limited to the amount by which the fair market value of the project's homes, as appraised by OHFA, exceed the project's estimated development costs. However, this amount can be increased or decreased depending on the actual development costs as they are certified at the time the credit is issued after completion of the project.

The bill generally limits the amount of total credits that may be reserved in a fiscal year to \$50 million, but allows unreserved credit allocations and recaptured or disallowed credits to be added to the credit cap for the next fiscal year. OHFA is prohibited from reserving any credits after June 30, 2027.

Project completion and claiming the credit

When a project is completed, the bill requires the original applicant to notify OHFA and provide a final development cost certification. At that time, OHFA is required to appraise the project's finished homes and, after approving the applicant's final cost certification, compute the amount of the tax credit. OHFA then issues an eligibility certificate to the applicant that states the amount of the credit, i.e., $\frac{1}{10}$ of the amount issued in the initial certification, subject to any increase or decrease as a result of the final appraisal and cost certifications. That credit amount may then be claimed in each year of the ten year credit period listed on the certificate. OHFA is required to certify a copy of each eligibility certificate to TAX and INS.

The applicant may allocate all or a portion of the annual credit amount for any year of the credit period to one or more project investors or equity owners of a pass-through entity project investor. An investor or owner allocated a credit may claim it against the insurance premiums, financial institution, or income taxes after the eligibility certificate has been issued and the annual reporting requirements discussed below have been complied with. To do so, the investor or owner must submit a copy of the certificate with the tax return for the year in which they claim the credit. The bill authorizes TAX and INS to request other documentation which an investor or owner must provide to claim the credit. If the credit exceeds the taxpayer's tax liability for that year, the credit may be carried forward for up to five years.

If a project ceases to qualify for a credit, OHFA may disallow and recapture any credit issued by requesting that TAX or INS, as applicable, issue an assessment to recover any previously claimed credit. Statutes of limitations that normally apply to the issuance of tax assessments, i.e., three or four years after the tax is due, do not apply to these assessments.

Continuing obligations and reporting requirements

Throughout the development of the project, the applicant must maintain ownership of the homes until they are sold to qualified buyers. The bill authorizes OHFA to establish, by rule, criteria to evaluate the qualifications for buyers. A qualified buyer must occupy a home constructed as part of a covered project as the buyer's primary residence for all ten years of the affordability period. During this period, the affordability of the home, as determined by OHFA by rule, is to be maintained and services are to be provided by the applicant's development team.

Each year, a project's designated reporter must report to OHFA a list of each investor or equity owner that has been allocated a portion of the credit awarded for that year, the amount that has been allocated to each, the tax each portion will be claimed against, and the aggregate credit amount allocated, which must not exceed the credit amount listed on the eligibility certificate. Any changes to this information must also be reported to OHFA within a time frame that OHFA must prescribe. A credit cannot be claimed without being listed on this annual report. Information in the report is not a public record, except for the aggregate amount of credits allocated.

Rules

As discussed above, OHFA may adopt any administrative rule necessary to administer the tax credit program. The bill specifies that rules adopted under the bill are not subject to the requirements in continuing law governing agency review of rules to identify regulatory restrictions. In addition, with respect to the rules adopted under the bill, OHFA is exempted from the provision of that law requiring the removal of two regulatory restrictions upon adoption of one regulatory restriction.

Film and theater credit cap

(R.C. 122.85)

The bill increases the total amount of film and theater tax credits that may be awarded each fiscal year, from \$40 million to \$75 million. Continuing law allows a refundable tax credit for companies that produce all or part of a motion picture or Broadway theatrical production in Ohio and incur at least \$300,000 in Ohio-sourced production expenditures. The credit equals 30% of the company's Ohio-sourced expenditures for goods, services, and payroll involved in the production. A company can claim the credit against the CAT, FIT, or income tax.

Under continuing law, DEV awards credits in two rounds, with the first ending on the last day of July and the second ending on the last day of January. Currently, DEV may only award up to \$20 million in the first round, plus any unused credits from the previous year. The bill increases that limit to \$37.5 million. For FY 2024, however, the first round limit remains \$20 million because this provision will not have taken effect before the July 31 application deadline.

Historic building rehabilitation credit cap

(R.C. 149.311)

The bill extends a temporary increase in the amount of historic building rehabilitation tax credits that DEV may award to FY 2025. Continuing law generally limits the amount of

rehabilitation tax credit certificates that may be awarded by DEV to \$60 million per fiscal year, plus any unallocated credits from previous fiscal years. That cap was previously increased to \$120 million for both FYs 2023 and 2024.⁸⁶ The bill extends this increase to FY 2025. The cap reverts to \$60 million in FY 2026.

Continuing law authorizes a historic rehabilitation tax credit equal to a percentage, generally 25%, of the qualified expenditures incurred by the owner or, in some cases, lessee of a building of historical significance to rehabilitate the building in accordance with certain preservation criteria. Credits are awarded through a competitive application process administered by DEV, in consultation with the State Historic Preservation Officer. Credit recipients are issued a rehabilitation tax credit certificate, which may be used to claim a credit against the income tax, financial institutions tax, or insurance premiums taxes.

Job creation and retention credit recapture adjustments

(R.C. 122.17 and 122.171)

Under continuing law, when DEV discovers that a taxpayer that has received a job creation or job retention tax credit (JCTC or JRTC) is not in compliance with the agreement for the credit, DEV may report that noncompliance to the Tax Credit Authority (TCA). After giving the taxpayer an opportunity to explain the noncompliance, TCA may require the taxpayer repay a portion of the credit by certifying the repayment to TAX or INS. The bill authorizes TCA to adjust that repayment amount if circumstances change after this, but only once within 90 days after the certification. However, no adjustment is allowed if the taxpayer has already repaid the amount or if TAX's or INS's assessment has been certified to the Attorney General for collection.

Background

Under continuing law, the TCA is authorized to enter into JCTC and JRTC agreements with employers to foster job creation or retention and capital investment in the state. The amount of the credit equals an agreed-upon percentage of the amount by which the employer's "Ohio employee payroll" (i.e., the compensation paid by the employer and used in computing the employer's tax withholding obligations) exceeds the employer's "baseline payroll" (i.e., Ohio employee payroll for the 12 months preceding the tax credit agreement). The credits may be claimed against the CAT, FIT, petroleum activity tax, domestic or foreign insurance premiums taxes, or personal income tax. The JCTC is a refundable credit, while the JRTC is nonrefundable. To ensure compliance with the terms of the agreement, each employer must file an annual report with TCA in which it reports its number of employees and payroll, among other metrics.

Research and development tax credits

(R.C. 5726.56 and 5751.51)

Continuing law allows a nonrefundable tax credit against the FIT and CAT equal to 7% of the taxpayer's excess qualified research and development (R&D) expenses above the average of the taxpayer's R&D expenses in the three preceding years. Unclaimed credits may be carried

⁸⁶ S.B. 225 of the 134th General Assembly.

forward for up to seven years. The bill changes the way certain taxpayers calculate and claim that credit, imposes recordkeeping requirements, and allows TAX more flexible audit authority.

Taxpayer groups

The bill modifies how a taxpayer comprised of more than one person – e.g., a pass-through entity with several owners – may calculate and claim R&D credits. Both the FIT and CAT require or allow such a “taxpayer group” to file and pay the tax as a single taxpayer.

The bill requires a taxpayer group to compute the R&D credit on a member-by-member basis, rather than across the entire taxpayer group. In other words, the group’s total R&D credit equals the aggregate credit computed against each member’s qualified R&D expenses. This computation and the R&D credit that may be claimed must be made on a form prescribed by TAX.

The bill also limits the members whose R&D expenses may be included in a group’s aggregate credit amount by only allowing such members to include their portion of the credit if they are members of the group on December 31 of the year during which the R&D expenses are incurred. A similar membership requirement applies to the computation of any R&D credit carryforwards.

Recordkeeping requirements

The bill requires a taxpayer claiming an R&D credit to retain records substantiating the claim. The records must be kept for four years after the due date for the return on which the credit is claimed, or four years after it is actually filed, whichever is later. Records required to be retained include those relating to any R&D expenses used in calculating the credit and incurred in the year for which the credit was claimed and for the three preceding years.

Audits

In addition to TAX’s general audit authority, the bill authorizes TAX to audit a representative sample of a taxpayer’s R&D expenses to verify that the taxpayer has correctly computed its R&D credit. In undertaking this audit, the bill requires that TAX make a good faith effort to agree on a representative sample, but it does not preclude a representative sample audit absent such an agreement.

Tax administration

Delivery of tax notices

(R.C. 5703.056 and 5703.37; conforming changes in numerous other R.C. sections)

The bill expands the means by which TAX may send tax notices by authorizing that, for any tax notice currently required to be sent by certified mail, TAX may alternatively send the notice electronically or by ordinary mail.

In addition, in order to receive a notice electronically, current law generally requires the taxpayer to give prior consent. The bill removes this consent requirement. It further adds that electronic notices can be sent to a taxpayer’s authorized representative, and specifies that the notice can be made by any electronic means, including email and text message. Under continuing law, if an electronic notice is not accessed after two attempts, TAX must send it by ordinary mail.

The bill requires TAX to establish a system to issue notifications of tax assessments to taxpayers through secure electronic means.

The bill also eliminates certain recordkeeping requirements that a delivery service must meet before it can be used by TAX to deliver tax notices. Specifically, it eliminates the requirement that the delivery service record the date on which the document was sent and delivered.

Electronic conveyance forms

(R.C. 319.20)

Under continuing law, whenever real property or a manufactured or mobile home is transferred, the grantee is required to file a statement with the county auditor attesting to the property's value and acknowledging that certain information related to the property's eligibility for the homestead exemption or current agricultural use valuation (CAUV) status has been considered as part of the transfer. The statement must be accompanied by any required property transfer tax.

Continuing law requires the grantee to file three copies of this statement, but the bill alternatively allows a grantee to submit a single copy of the statement electronically.

Corporation franchise tax amended filings

(R.C. 5733.031; Section 757.30)

The bill eliminates a requirement that taxpayers file amended corporation franchise tax (CFT) reports. The CFT was fully repealed in 2013, but if an adjustment to a corporation's federal tax return alters the corporation's previous CFT tax liability, the corporation must still file an amended CFT report. Under the bill, corporations are no longer required to file amended reports after December 31, 2023. Similarly, no corporation may request a refund after that date.

Disclosure of confidential tax information

(R.C. 5703.21 with conforming changes in R.C. 1346.03, 1509.11, 4301.441, and 5749.17)

The bill streamlines the authority of TAX to share confidential tax information with state agencies. Under continuing law, unless an exception applies, tax return information is confidential and cannot be disclosed by an employee of TAX or any other individual. Currently, the law lists several exceptions authorizing the disclosure of information to specific state agencies. The bill replaces much of this list, which involves specific state agencies, with a general authorization for TAX to share information with any state or federal agency when disclosure is necessary to ensure compliance with state law. The receiving agency is prohibited from disclosing any of this shared information, except as otherwise authorized by state or federal law.

Tax-favored home purchasing savings account research

(Section 701.10)

The bill directs the Tax Commissioner and Treasurer of State, or their designees, to jointly study and design a tax-favored savings account for home purchases and improvements.

Local Government and Public Library Funds

Permanent increase

(R.C. 131.51; Section 387.20)

The bill permanently increases, beginning in FY 2024, the percentage of state tax revenue that the Local Government Fund (LGF) and Public Library Fund (PLF) each receive per month, to 1.7%.

Under current law, the LGF and PLF are each allocated 1.66% of the total tax revenue credited to the GRF each month. This percentage has been set in permanent law since FY 2014, following a series of decreases in allocations to both funds. Over the past decade, however, the actual percentage of tax revenue allocated to the LGF and PLF has fluctuated slightly. The General Assembly has repeatedly authorized “temporary” increases to the PLF allocation, ranging from 1.68% to 1.70%. The PLF allocation for FYs 2022 and 2023 currently stands at 1.70%. The LGF allocation was temporarily increased once, to 1.68% for FYs 2020 and 2021, but the current allocation stands at 1.66%.⁸⁷

Under continuing law, most of the money in the LGF and PLF is distributed monthly to each county’s undivided local government or public library fund, largely based upon that county’s historical share. Each county distributes its share among local governments or libraries, respectively, according to a locally approved formula or, in a few counties, a statutory need-based formula. A smaller portion of the LGF is paid directly to townships, smaller villages, and municipalities.

⁸⁷ Section 387.20 of H.B. 110 of the 134th General Assembly, Section 387.20 of H.B. 166 of the 133rd General Assembly, Section 387.20 of H.B. 49 of the 132nd General Assembly, and Section 375.10 of H.B. 64 of the 131st General Assembly.

TREASURER OF STATE

Pay for Success contracts

- Eliminates the requirement that at least 75% of Pay for Success contracts include performance targets requiring greater improvement in the targeted area vs. other areas (based on scientifically valid regional or national data).
- Removes the requirement that the Treasurer of State (TOS) adopt rules establishing a process to determine whether the regional or national data used to determine the performance targets are scientifically valid.

State real property

- Transfers, from the TOS to the Department of Administrative Services (DAS), the responsibility to develop and maintain a comprehensive and descriptive database of all real property under the custody and control of the state, and requires each state agency to collect and maintain information on its respective landholdings.

Pay for Success contracts

(R.C. 113.60)

Continuing law requires the TOS to specify performance targets to be met by a service provider under a Pay for Success contract. If scientifically valid regional or national data is available to compare the targeted area vs. other areas, the performance targets must require greater improvement within the targeted area vs. other areas.⁸⁸ The bill eliminates the requirement that at least 75% of Pay for Success contracts include performance targets requiring greater improvement in the targeted area vs. other areas. And, the bill removes the requirement that the TOS adopt rules establishing a process to determine whether the regional or national data is scientifically valid.⁸⁹

State real property

(R.C. 125.901 and 125.903)

The bill transfers, from the TOS to DAS, the responsibility to develop and maintain a comprehensive and descriptive database of all real property under the custody and control of the state. Under continuing law, the database must adequately describe, when known, the location, boundary, and acreage of the property, the use and name of the property, and the contact information and name of the state agency managing the property. Information in the database must be available to the public free of charge through a searchable internet website.

⁸⁸ R.C. 113.61, not in the bill.

⁸⁹ R.C. 113.60.

The bill removes the requirement for the Treasurer to allow public comment on property owned by the state.

Additionally, the bill requires each landholding state agency to collect and maintain a geographic information systems database of its respective landholdings, and to provide the database to the Ohio Geographically Referenced Information Program Council, a Council established in law within DAS to coordinate the property owned by the state. Current law requires the Council and the Treasurer to collect the information. The bill removes the Treasurer from the Council.

BUREAU OF WORKERS COMPENSATION

Workers' compensation coverage for certain prison laborers

- Eliminates a requirement that inmates participating in the Federal Prison Industries Enhancement Certification Program must be covered by a disability insurance policy to provide benefits for loss of earning capacity due to an injury and for medical treatment of the injury following the inmate's release from prison.
- Requires inmates participating in the program to be covered as employees of the Department of Rehabilitation and Correction (DRC), or a private party participating in the program under certain circumstances, for purposes of the Workers' Compensation Law.
- Prohibits a private party from participating in an employer model enterprise under the program unless the private party meets certain requirements and is approved by the DRC Director.
- Requires an inmate to voluntarily consent to participate in the program before participating.
- Suspends an award of compensation or benefits under Workers' Compensation while a claimant is imprisoned, similar to current law workers' compensation claims.
- Requires an inmate who is injured or who contracts an occupational disease arising out of participation in authorized work activity in the program to receive medical treatment and medical determinations for purposes of Workers' Compensation from DRC's medical providers while in DRC custody.
- Requires DRC to provide and pay for all medical care rendered to an inmate related to an injury or occupational disease arising out of participation in authorized work activity in the program while the inmate is imprisoned.
- Limits medical determinations made by DRC's providers to initial claim allowances and requests for additional conditions.
- Allows the Administrator of Workers' Compensation to adopt rules necessary to implement the bill's provisions related to workers' compensation coverage and the program.
- Requires the DRC Director to make certain notifications and disclosures to implement the bill's provisions related to workers' compensation coverage and the program.

Employers providing work-based learning programs

- Makes permanent a pilot program set to expire March 23, 2024, prohibiting the Administrator from charging an employer's experience for a workers' compensation claim if the employer provides work-based learning experiences for career-technical education program students and the claim is based on a student's injury, occupational disease, or death.

- Exempts the program's rules from review by the Joint Committee on Agency Rule Review, similar to other rules related to ratemaking under continuing law.

Workers' compensation coverage for certain prison laborers

(R.C. 4123.543 and 5145.163)

The bill eliminates the requirement that inmates participating in the Federal Prison Industries Enhancement Certification Program must be covered by a disability insurance policy to provide benefits for loss of earning capacity due to an injury and for medical treatment of the injury following the inmate's release from prison. Instead, these inmates are to be covered as employees under the Workers' Compensation Law. The Federal Prison Industries Enhancement Certification Program is a federal program that allows prison industry enterprises under the program to be exempt from federal restrictions on prisoner-made goods in interstate commerce. Federal law prohibits program participants from denying workers' compensation coverage to inmates who work under the program.⁹⁰

Under continuing law, there are two enterprise models under the program: (1) customer model enterprises and (2) employer model enterprises. In a customer model enterprise, a private party participates in the enterprise only as a purchaser of goods. In an employer model enterprise, a private party participates in the enterprise as an operator of the enterprise.

If an inmate works in a customer model enterprise under the program, the bill requires DRC to be the inmate's employer for workers' compensation purposes. If the inmate works in an employer model enterprise under the program, the bill requires the private participant to be the inmate's employer for workers' compensation purposes. The bill specifies that inmates are not employees of DRC or a private participant in an enterprise under the program for any other purpose.

Under the Workers' Compensation Law, every employee who is injured or who contracts an occupational disease arising out of the employee's employment, and the dependents of each employee who dies as a result of such an injury or occupational disease, is generally entitled to receive compensation for loss sustained on account of the injury, occupational disease, or death, and the medical, nurse, and hospital services and medicines, and funeral expenses in the case of death. Compensation and benefits are paid either directly from the employee's self-insuring employer or from the State Insurance Fund in the case of an employer who pays premiums into the fund.⁹¹

Administration of the program

Under the bill, to participate in an employer model enterprise under the program a private party must be approved by the DRC Director. The Director may approve a private party

⁹⁰ 18 U.S.C. 1761.

⁹¹ R.C. 4123.54, not in the bill.

to participate in an employer model enterprise only if the private party meets the following requirements:

- The private party provides proof of workers' compensation coverage;
- The private party carries liability insurance in an amount the DRC Director determines to be sufficient;
- The private party does not have an unresolved finding for recovery by the Auditor of State.

The bill requires an inmate to voluntarily consent to participate in the program before participating. This consent disclaims the inmate's ability to choose a medical provider while the inmate is imprisoned and subjects the inmate to the bill's requirements related to workers' compensation coverage and the program.

Workers' compensation while imprisoned

If an inmate is injured or contracts an occupational disease arising out of participation in authorized work activity in the program, the bill allows the inmate to file a workers' compensation claim while the inmate is in DRC custody. Consistent with continuing law prohibiting payment of compensation or benefits while a claimant is confined in correctional institution or county jail in lieu of a correctional institution, compensation or benefits under the Workers' Compensation Law cannot be paid during the period of a claimant's confinement in any correctional institution or county jail.⁹² The bill requires any remaining amount of an award of compensation or benefits to be paid to a claimant after the claimant is released from imprisonment. However, compensation and benefits are suspended if a claimant is reimprisoned and resume on the claimant's release.

If an inmate is killed or dies as the result of an occupational disease contracted in the course of participation in authorized work activity in the program, the inmate's dependents may file a claim.

Medical treatment and determinations

If an inmate in DRC custody files a claim, the bill requires the inmate to receive medical treatment and medical determinations for purposes of the Workers' Compensation Law from DRC's medical providers. DRC must provide and pay for all medical care rendered to an inmate related to the injury or occupational disease while the inmate is imprisoned. The bill limits medical determinations made by DRC's providers to initial claim allowances and requests for additional conditions.

An inmate may request a review by DRC's chief medical officer, and in the event of an appeal, a medical evaluation from a medical practitioner affiliated within DRC's network of third-party medical contractors or a medical practitioner in a managed care organization located in

⁹² R.C. 4123.54, not in the bill.

Franklin County. A managed care organization manages the medical portion of a workers' compensation claim for claimants who are not imprisoned under continuing law.⁹³

Administration of workers' compensation coverage for inmates

The bill allows the Administrator of Workers' Compensation to adopt rules necessary to implement the bill's provisions related to workers' compensation coverage and the program.

The DRC Director must do all of the following to implement the bill's provisions:

- Notify the Administrator of any injury, occupational disease, or death of an inmate that arises out of participation in the program;
- On request from the Administrator, provide medical records, or other relevant information, related to an injury, occupational disease, or death of an inmate that arises out of participation in the program.
- Notify the Administrator when an inmate who has an award of compensation or benefits that is suspended because of being imprisoned is released from imprisonment or reimprisonment.

Employers providing work-based learning program

(R.C. 111.15 and 119.01; Sections 107.10 and 107.11, codifying Section 3 of S.B. 166 of the 134th G.A. as 4123.345)

The bill makes the Employers Providing Work-Based Learning Pilot Program a permanent program. Currently, the two-year pilot program expires March 23, 2024. The program requires the Administrator, subject to the approval of the Bureau of Workers' Compensation Board of Directors, to adopt a rule prohibiting the Administrator from charging any amount with respect to a claim for compensation or benefits under the Workers' Compensation Law to an employer's experience if both of the following apply:

- The employer provides a work-based learning experience for students enrolled in an approved career-technical education program;
- The claim is based on a student's injury, occupational disease, or death sustained in the course of and arising out of the student's participation in the employer's work-based learning experience.

Under continuing law, Ohio's Minor Labor Law requirements (concerning minor work hours and activities in which a minor may engage) does not apply to a student participating in the program.

An employer's experience in being responsible for its employees' workers' compensation claims may be used in calculating the employer's workers' compensation premiums. Thus, not

⁹³ R.C. 4121.44, not in the bill.

charging a claim to the employer's experience may result in a mitigation of an increase in the employer's premiums as a result of the claim.⁹⁴

The bill exempts the program's rules from legislative review by the Joint Committee on Agency Rule Review (JCARR). Under continuing law, rules relating to ratemaking are exempt from JCARR review.

⁹⁴ See R.C. 4123.29, 4123.34, and 4123.39, not in the bill, and O.A.C. 4123-17-03.

LOCAL GOVERNMENT

Good Samaritan Law

- Removes the requirement that, within 30 days of seeking or obtaining medical assistance, a qualified individual must seek or obtain a screening and receive a referral for treatment from a community addiction services provider.
- Removes the requirement that, upon the request of a prosecuting attorney, a qualified individual must submit documentation verifying that the individual has sought or obtained a screening and received a referral for treatment as described in the preceding dot point.
- Removes the cap on immunity under the Good Samaritan Law.

Drainage Assessment Fund

- Abolishes the Drainage Assessment Fund, which was funded by the General Assembly and which was used to pay each state agency's share of local drainage assessments made under the county ditch laws.
- Eliminates an associated requirement that state agencies include the cost of the state's share of drainage assessments billed by county auditors in budget requests from the fund.

Good Samaritan Law

(R.C. 2925.11)

Requirements

Under the Good Samaritan Law, a qualified individual must not be arrested, charged, prosecuted, convicted, or penalized for a violation of a minor drug possession offense, possessing drug abuse instruments, use or possession of drug paraphernalia, or illegal use or possession of marijuana drug paraphernalia, if all of the following apply:

1. The evidence of the obtaining, possession, or use of the controlled substance or controlled substance analog, drug abuse instruments, or drug paraphernalia that would be the basis of the offense was obtained as a result of the qualified individual seeking medical assistance or experiencing an overdose and needing medical assistance.
2. Within 30 days after seeking or obtaining medical assistance, the qualified individual seeks and obtains a screening and receives a referral for treatment from a community addiction services provider or a properly credentialed addiction treatment professional.
3. The qualified individual who obtains a screening and receives a referral for treatment, upon the request of any prosecuting attorney, submits documentation to the prosecuting attorney that verifies that the qualified individual satisfied the above requirements.

The bill eliminates the requirements in (2) and (3). It also removes the cap on immunity under the Good Samaritan Law. Under current law, no person may be granted immunity more than two times.

Under current law, “qualified individual” means a person who is acting in good faith who seeks or obtains medical assistance for another person who is experiencing a drug overdose, a person who experiences a drug overdose and who seeks medical assistance for that overdose, or a person who is the subject of another person seeking or obtaining medical assistance for that overdose.

Conforming changes

In accordance with the above changes, the bill eliminates the definition of “community addiction services provider” and a reference to compelling a qualified individual to disclose protected health information in a way that conflicts with the requirements of the Health Insurance Portability and Accountability Act of 1996.

Drainage Assessment Fund

(R.C. 6131.43; repealed R.C. 6133.15)

The bill abolishes the Drainage Assessment Fund. The fund was established in the state treasury and funded by the General Assembly. It was used to pay each state agency’s share of local drainage assessments made under the county ditch laws. Correspondingly, the bill eliminates an associated requirement that state agencies include the cost of the state’s share of drainage assessments billed by county auditors in budget requests from the fund.

ADMINISTRATIVE PROCEDURE ACT ADJUDICATIONS

- Allows, unless another law applies, an agency conducting an adjudication under the Administrative Procedure Act (APA) to serve a document on a party to the adjudication through email, facsimile, traceable delivery service, or personal service.
- Specifies the date on which service of a document is complete when using one of the methods listed above.
- Increases, from 15 to 60, the maximum number of days within which an agency must hold an administrative hearing after a party to an adjudication requests one.
- Requires certain notices and orders that must be served on a party in an APA adjudication to be provided to the party's attorney or other representative rather than requiring the notices be mailed as under current law.
- Specifies that an agency's rejection of an application for registration or renewal of a license is not effective until the 15th day after notice of the rejection is mailed to the licensee.

Administrative Procedure Act adjudications

(R.C. 119.05, 119.06, 119.07, 3711.14, 3722.07, 4121.443, 4715.30, 4717.14, 4723.281, 4725.24, 4730.25, 4731.22, 4734.37, 4741.22, 4757.361, 4759.07, 4760.13, 4761.09, 4762.13, 4766.11, 4774.13, 4778.14, 4779.29, 5104.042, 5119.33, 5119.34, 5119.36, 5123.19, and 5165.87; with conforming changes in numerous other R.C. sections)

Service of adjudication documents

The bill allows, unless another law applies, an agency conducting an adjudication under the Administrative Procedure Act (APA) – R.C. Chapter 119 – to serve a document on a party to the adjudication through any of the following methods:

- Email at the party's last known email address;
- Facsimile transmission at the party's facsimile number appearing in the agency's official records;
- Traceable delivery service at the party's last known physical address;
- Personal service.

Service of a document using a method listed above is complete on the following dates:

- For email, the date receipt of the document is relayed electronically to the agency either by a direct reply from the recipient or through electronic tracking software demonstrating that the recipient accessed the document.
- For facsimile transmission, the date indicated on the facsimile transmission confirmation page.

- For traceable delivery service, the delivery date indicated on the notice of completed delivery provided to the agency by the delivery service.
- For personal service, the date indicated on a document confirming physical delivery signed by either the intended recipient, an adult located at the intended recipient's address, or delivery personnel.

One's "last known address" is the mailing address or email address in an agency's official records. "Traceable delivery service" is any delivery services provided by the U.S. Postal Service or a domestic commercial delivery service that allows the sender to track a sent item's progress and provides notice of a completed delivery to the sender.

If an agency fails to complete service using a party's last known address or facsimile number, the agency may complete service using an alternative address or number. The agency must verify the alternative address or number as current before attempting service.

When an agency is unable to complete service using a method described above, the agency must publish a summary of the notice's substantive provisions in a newspaper of general circulation in the county where the party's last known address is located. Notice by publication is complete on the date of publication. An agency that completes service by publication must send a proof of publication affidavit to the party by ordinary mail at the party's last known address. The affidavit must include a copy of the publication.

An agency that accomplishes services by email, facsimile transmission, traceable delivery or personal service at an alternative address or facsimile number is not required to complete service by publication.

Currently, unless another law applies, the APA requires an agency to attempt service through registered or certified mail. When registered or certified mail is returned because the recipient fails to claim it, the agency must attempt service through ordinary mail and obtain a certificate of mailing. If registered, certified, or ordinary mail is returned for failure of delivery, the agency either must make personal delivery or attempt service by publication in the manner described above. Current law does not allow service through email, facsimile, or domestic commercial delivery service.

Administrative hearings

Under continuing law, nonemergency APA adjudication orders are not valid unless the affected party receives notice and an opportunity for a hearing. Typically, an affected party must request a hearing within 30 days of receiving notice of the opportunity for one. When a party receives notice of the opportunity for hearing, but fails to request it within the allotted time, the agency may issue the adjudication order without the hearing.

The bill generally increases, from 15 to 60, the maximum number of days within which an agency must hold an administrative hearing after a party to an adjudication requests it. However, where current law allows an agency to order a license suspension before a hearing and specifies a shorter timeframe for the agency to hold the hearing after the affected party requests it, the bill retains the shorter timeframe. License suspension orders that allow post-suspension hearings in which the bill retains the shorter timeframe include all of the following:

- An order by the State Medical Board suspending a limited permit to practice in a Board regulated field or a license or certificate to practice as a physician, physician assistant, dietician, anesthesiologist assistant, radiologist assistant, respiratory care provider, oriental medicine practitioner, massage therapist, or genetic counselor.
- An order by the State Chiropractic Board suspending a license to practice chiropractic or a certificate to practice acupuncture;
- An order by the Director of Health suspending a license to operate a hospital or a maternity and newborn care facility;
- An order by the Department of Mental Health and Addiction Services suspending a license to operate a hospital for mentally ill persons or a residential facility or a certificate to provide community mental health services or addiction services;
- An order by the Department of Developmental Disabilities to operate a residential facility;
- An order by the State Board of Emergency Medical, Fire, and Transportation Services suspending a medical transportation license;
- An order by the Occupational Therapy, Physical Therapy, and Athletic Trainers Board suspending a license to practice orthotics, pedorthics, or prosthetics;
- An order by the Department of Medicaid suspending Medicaid coverage of nursing facility services;
- An order by the Administrator of Workers' Compensation suspending a provider's participation in the Health Partnership Program;
- An order suspending any of the licenses issued by the following boards: the State Dental Board; the Board of Nursing; the Board of Embalmers and Funeral Directors; the State Vision Professionals Board; the State Veterinary Medical Licensing Board; or the Counselor, Social Worker, and Marriage and Family Therapist Board.

With respect to these agencies, continuing law requires most (but not all) to hold a post-suspension hearing within 15 days after a party requests the hearing. A suspension order without a prior hearing also typically requires clear and convincing evidence of a danger to an identifiable group of individuals or to the public health.

Providing notices to attorneys

The bill requires an agency to provide copies of APA notices and orders to an affected party's attorney or other representative. Current law requires the notices and orders be mailed to the attorney or representative.

Rejection of registration or renewal

The bill specifies that an agency's rejection of an application for registration or renewal of a license is not effective until the 15th day after notice of the rejection is mailed to the licensee. Current law sets 15 days as a minimum number of days before the rejection is effective. Under continuing law, an agency that rejects an application for registration or renewal of a license

generally must afford the rejected applicant a hearing when the applicant requests one. However, the following agencies are not required to grant a hearing to an applicant to whom a new license was refused because the applicant failed a licensing examination:

- The State Medical Board;
- State Chiropractic Board;
- The Architects Board;
- Ohio Landscape Architects Board;
- The Occupational Therapy, Physical Therapy, and Athletic Trainers Board.

ELECTRONIC NOTIFICATION AND MEETINGS

Casino Control Commission

- Requires an applicant for casino-related licenses, including for casino operator, management company, holding company, gaming-related vendor, and casino gaming employee to certify that the information provided in the application is true.

Department of Commerce

Board of Building Standards

- Removes telegraph facilities as one of the “workshops or factories” that the Board of Building Standards has control over regarding required alternations or repairs.

Division of Liquor Control

- Specifies that, if the initial required certified notice of unpaid permit fees to a liquor permit applicant is returned because of failure or refusal of delivery, the Division of Liquor Control must send a second notice by regular mail.

Division of Securities

- Eliminates the requirement that copies of process or pleadings served by the Division of Securities on the Secretary of State, acting as agent for the person to be served, be delivered in duplicate and eliminates the requirement that the Secretary use certified mail to forward the documents.
- Eliminates the requirement that securities sold in violation of the securities law be tendered to the seller either in person or in open court to trigger a refund requirement, instead only requiring a tender without specifying method.

Division of Finance Institutions

- Changes, in the list of approved delivery methods, “any other means of communication authorized by the director” to whom the notice is sent to any means authorized by the board of directors acting together.

Department of Developmental Disabilities

- Removes obsolete provisions requiring the Director of Developmental Disabilities to submit a report to the General Assembly with certain data regarding residential facility licenses issued by the Department of Developmental Disabilities.

Department of Education

- Eliminates the following provisions of law that became obsolete on June 30, 2008:
 - Requirement that school districts or school buildings in academic emergency or academic watch, under former law, submit required information to the Department of Education before approval of a three-year continuous improvement plan;

- Requirements for site evaluations conducted for school districts or schools in academic emergency or academic watch.

Environmental Protection Agency

- Authorizes the Director to provide notice of a hearing on the Environmental Protection Agency's website in circumstances where current law requires public notice by newspaper publication.
- Authorizes the Director to deliver documents or notice by any method capable of documenting the intended recipient's receipt of the document or notice rather than requiring a document or public notice be provided by certified mail.
- Specifies that the holder of the first mortgage on a regulated facility may contact the mortgagor to determine if the facility is abandoned by any method capable of documenting the intended recipient's receipt of the document or notice, rather than by mail, telegram, telefax, or similar communication only, as in current law.

Department of Insurance

- Replaces the requirement that individuals seeking access to personal information held by certain insurance organizations be allowed to see and copy that information in person or obtain a copy by mail with a requirement that the individual be able to obtain in a manner agreed upon by the individual and the insurance organization.

Department of Job and Family Services

- Removes references to unemployment compensation warrants drawn by the Director of Job and Family services bearing the Director's facsimile signature (but maintains the authority to have the signatures printed on the warrants).

Department of Public Safety

Restricted driver's license: subsequent annual license

- Eliminates several procedural requirements regarding the submission of a physician's statement accompanying an application for an unrestricted driver's license.

Driver training school anatomical gift instruction

- Allows driver training schools to use specified electronic formats to convey information about anatomical gifts to driver training students, rather than a video cassette tape, CD-ROM, interactive videodisc, or other format.

Failure to maintain motor vehicle insurance

- Eliminates a requirement that an administrative hearing regarding a person's failure to maintain motor vehicle insurance be held within 30 days after the Registrar receives a request for that hearing.

- Eliminates a reference to the personal delivery of a motor vehicle registration or driver's license if a person is required to surrender the registration or license because of a failure to maintain motor vehicle insurance.

Seizure of license plates after offense

- Eliminates the requirement that an arresting officer remove the license plates on a vehicle seized as part of an arrest for: (1) driving under an OVI suspension or (2) wrongful entrustment of a vehicle and, instead, requires the license plates to remain on the vehicle unless ordered by a court.

Public Utilities Commission of Ohio

- Eliminates items buried or placed below ground or submerged in water for telegraphic communications as a form of "underground utility facility" for purposes of continuing law regarding the protection of such facilities.
- Removes the requirement that an excavator must provide any fax numbers they may have in the excavator's notification to a protection service before an emergency excavation required under continuing law.

Department of Taxation

- Removes a requirement that taxpayers must consent to electronic delivery before receiving certain tax orders and notices electronically.
- Removes a requirement that certain tax-related documents be open for public inspection.

Department of Transportation

- Makes advertising for bids for Ohio Department of Transportation (ODOT) contracts in a newspaper of general circulation optional rather than required.
- Requires, rather than authorizes, the ODOT Director to publish notice for bids in other publications as the Director considers advisable.

Bureau of Workers' Compensation

- Specifies that electronic documents have the same evidentiary effect as originals in a workers' compensation-related proceeding.

Notice and submission requirements

- Makes changes throughout the Revised Code related to:
 - Notice requirements related to certain events or services; and
 - Electronic submission to receive certain public services.

Electronic meetings for public entities

- Makes changes throughout the Revised Code to permit certain public entities to meet via electronic means.

Maintenance of stenographic records

- Makes changes throughout the Revised Code related to the maintenance of stenographic records.

Casino Control Commission

(R.C. 3772.11, 3772.12, and 3772.131)

Under current law, casino-related license applications, including those for a casino operator, management company, holding company, gaming-related vendor, and casino gaming employee must be made under oath. The bill removes the requirement that an oath be administered and instead requires that the applications must be certified as true.

Department of Commerce

Board of Building Standards

(R.C. 3781.11(A)(6) and (D)(2))

The bill removes telegraph offices as a “workshop or factory” for purposes of Board rules and standards. Under current law, the Board cannot require alterations or repairs to any part of a workshop or factory meeting certain criteria under continuing law.

Division of Liquor Control

Payment of liquor application fees

(R.C. 4303.24)

The bill specifies that, if the initial required certified notice of unpaid permit fees to a liquor permit applicant is returned because of failure or refusal of delivery, the Division of Liquor Control must send a second notice by regular mail. It retains the requirement that the Division cancel the permit application if the permit applicant does not remit the unpaid permit fees to the Division within 30 days of the first notice.

Division of Securities

Service through the Secretary of State

(R.C. 1707.11)

Under continuing law, certain people must appoint the Secretary of State as their agent to receive service of process and pleadings on their behalf. The bill eliminates a requirement that copies of process or pleadings served by the Division of Securities on the Secretary, acting as agent for the person to be served, be delivered in duplicate. It also eliminates the requirement that the Secretary use certified mail to forward the documents.

Tender for refund

(R.C. 1707.43)

Under continuing law, a buyer who is sold securities in violation of the Securities Law may receive a refund by tendering the securities back to the seller. The bill eliminates the requirement that the securities be tendered either in person or in open court to trigger a refund requirement. It instead requires tender without specifying a method.

Division of Financial Institutions

(R.C. 1733.16)

Continuing law requires that notice of credit union board of directors meetings must be given to each director. The bill modifies the use of alternative delivery methods by removing the law that allows a director receiving the notice to specify another means of communication, and instead allows alternative methods approved by the board of directors acting together.

Department of Developmental Disabilities

(Repealed R.C. 5123.195)

The bill removes obsolete provisions requiring the Director of Developmental Disabilities to submit a report to the General Assembly after calendar years 2003, 2004, and 2005. The report was to summarize rules regarding residential facility licensure; the number of licenses issued, renewed, or denied; how long those licenses were issued; sanctions imposed on licenses, and any other information the Director deemed important.

Department of Education

(R.C. 3302.04(D)(3) and (4))

The bill eliminates the obsolete requirement that school districts or school buildings in academic emergency or academic watch submit information to the Department of Education before approval of a three-year continuous improvement plan. It also eliminates the obsolete requirements for site evaluations for districts or buildings in academic emergency or academic watch. The requirements expired on June 30, 2008.

Environmental Protection Agency

General authorizations

(R.C. 3745.019)

The bill provides general authorization to the Director of the Ohio Environmental Protection Agency (OEPA) as follows:

- Authorizes the Director to provide public notice of a hearing on the OEPA website in circumstances in which the Director currently must provide notice by newspaper publication;
- Authorizes the Director to deliver documents or notice by any method capable of documenting the intended recipient's receipt of the document or notice in circumstances

in which the Director currently must provide the document or public notice by certified mail.

It is unclear why, given these broad authorizations, the bill also amends other notice provisions that provide for newspaper publication or certified mail.⁹⁵

Regulated facilities

(R.C. 3752.11)

The bill specifies that the holder of the first mortgage on a regulated facility may contact the mortgagor to determine if the facility is abandoned by any method capable of documenting the intended recipient's receipt of the document or notice. Current law requires that the contact be made by mail, telegram, telefax, or similar communication only.

Department of Insurance

(R.C. 3904.08)

Continuing law allows individuals to request access to their personal information held by insurance institutions, agents, and insurance support organizations. Currently, individuals must be allowed to see and copy the information in person or allowed to obtain a copy by mail. The bill changes this requirement, instead mandating that individuals be able to obtain a copy of the information in a manner agreed upon by the individual and the insurance institution, agent, or support organization.

Department of Job and Family Services

(R.C. 4141.09 and 4141.47)

Continuing law specifies that the Treasurer of State must make disbursements from the state Unemployment Compensation Fund and the Auxiliary Services Personnel Unemployment Compensation Fund on warrants drawn by the Director of Job and Family Services. Currently, the warrants may include the facsimile signatures of the Director and the employee responsible for accounting for the funds printed on the warrants. The bill removes the reference to "facsimile" and maintains the authority to have signatures printed on the warrants. Because neither current law nor the bill require the Director or employee to directly sign the warrants, it is unclear whether removing "facsimile" has any substantive effect.

Department of Public Safety

Restricted driver's license: subsequent annual license

(R.C. 4507.081)

Under current law, a restricted license is issued to a person who has certain medical conditions that inhibit safe driving, but only if the person's conditions are under effective control. The holder of a restricted license may subsequently apply for an unrestricted annual license when the restricted license expires. Obtaining the annual license is contingent upon submission of a

⁹⁵ See for example, R.C. 3704.03, 3734.02, and 3734.021.

licensed physician's statement attesting that the condition is dormant or under medical control (for a period of one year before application). The bill eliminates the following regarding this annual license:

- The stipulation that the applicant submit the physician's statement to the Registrar of Motor Vehicles by certified mail;
- A requirement that the license holder obtain a physical validation sticker for use in conjunction with the license;
- A requirement that the physician's statement be made in duplicate; and
- A provision allowing an annual license applicant to maintain a physical duplicate copy of the physician's statement authorizing the applicant to operate a motor vehicle for no more than 30 days following the date of submission of the statement.

Driver training school anatomical gift instruction

(R.C. 4508.021)

The bill allows driver training schools to use a website, email communication, compact disc media, or other electronic format to provide information about anatomical gifts to driver training students. Current law specifies the schools must use a video cassette tape, CD-ROM, interactive videodisc, or other electronic format.

Failure to maintain motor vehicle insurance

(R.C. 4509.101)

The bill eliminates a requirement that an administrative hearing regarding a person's failure to maintain motor vehicle insurance be held within 30 days after the Registrar of Motor Vehicles receives a request for the hearing. The bill also permits the hearing to be held remotely. Under current law retained by the bill, a person adversely affected by an administrative driver's license suspension associated with this offense may request a hearing within ten days of the issuance of the order imposing the suspension.

The bill eliminates a reference to the personal delivery of an impounded or suspended driver's license or registration if a person is required to surrender a license or registration because of a failure to maintain motor vehicle insurance. Thus, under the bill, a person may deliver those items (if impounded or suspended) to the Registrar by any means.

Seizure of license plates after offense

(R.C. 4510.41)

The bill eliminates the requirement that an arresting officer remove the license plates on a vehicle seized as part of an arrest for either of the following violations:

- Driving under an OVI suspension; or
- Wrongful entrustment of a vehicle.

Instead, the bill requires the license plates to remain on the vehicle unless otherwise ordered by a court.

Public Utilities Commission of Ohio

Underground utility facilities – classification

(R.C. 3781.25(B) and 3781.29(C)(1))

The bill removes “telegraphic communications” from being classified as an “underground utility facility” for purposes of the law regarding utility protection services. Under current law, any item buried or placed below ground or submerged under water for use in connection with the storage or conveyance of telephonic or telegraphic communications (among other things) is considered an “underground utility facility” subject to continuing law regarding utilities registering the location of, and protecting through marking, these facilities.

Excavator contact information

(R.C. 3781.29(E)(1)(b))

The bill removes the requirement that an excavator, before performing an emergency excavation, provide any fax numbers they may have to a protection service. Under current law, notification must be provided to an underground utility protection service before commencing an emergency excavation, and it must include the excavator’s name, address, email addresses, and telephone and facsimile numbers.

Department of Taxation

Electronic delivery of tax notices and orders

(R.C. 5703.37)

Current law generally allows the Department of Taxation to serve tax notices or orders electronically, but only with the taxpayer’s prior consent. The bill removes this consent requirement. It further adds that electronic notification can be made to a taxpayer’s authorized representative, and specifies that the notification can be made by any electronic means, including email and text message.

Public inspection of tax documents

(R.C. 5751.40 and 5736.041)

The bill removes two requirements that certain tax-related documents be open for public inspection. Instead, the following documents need only to be made available on the Department of Taxation’s website:

- Certificates issued to qualified distribution centers (QDCs) under the commercial activity tax (CAT). Under continuing law, suppliers that ship goods to a QDC can exclude a portion of their receipts from the CAT. Current law requires the Department of Taxation to “publish” QDC certificates, but does not specifically require online publication. The bill specifies that these certificates must be available online for at least four years from the date they were issued.

- A list of motor fuel suppliers who are subject to the state's petroleum activity tax. This list is already authorized, but not required, to be published on the Department of Taxation's website.

Department of Transportation

(R.C. 5525.01)

The bill makes advertising for bids for Ohio Department of Transportation (ODOT) contracts in a newspaper of general circulation optional and requires the ODOT Director to publish notice for bids in other publications, as the Director considers advisable. Current law specifies the opposite – it requires newspaper publication and makes other publications optional.

Bureau of Workers' Compensation

(R.C. 4123.52)

The bill specifies that electronically stored records have the same evidentiary effect as originals in a workers' compensation proceeding before the Industrial Commission, a Commission hearing officer, or a court. Under continuing law, records preserved using photographs, microphotographs, microfilm, films, or other direct forms of retention media also have the evidentiary effect of originals in the same proceedings.

Changes to notice requirements

The bill also modifies the type of communication media through which public entities or others may make required notice of events or services. The table below describes the type of notice and the change made to the permitted form of communication. The table indicates these changes as follows:

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Controlling Board									
Notice to G.A. members regarding changes to capital appropriations	C		A						127.15
Ohio Casino Control Commission									
Notices of intent to include a person on an exclusion list	C	A						C	3772.031
Notices of including a person on an exclusion list via emergency order	C	A	A						3772.04
Notice of termination of employment of a "key employee"	C	A	A					A	3772.13

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Department of Commerce – Division of Liquor Control									
Notice of entering into an agency store contract or relocation of a store ⁹⁶	R							R	4301.17
Notice of distribution of liquor permit fees	C		A						4301.30
Department of Commerce – Division of Securities									
Notice of hearing to revoke approval of securities exchange or system	R		A						1707.02
Notice of hearing to suspend the exemption of a security	R		A						1707.02
Notice of hearing to determine fairness of issuance and exchange of securities through plan of	A		A					C	1707.04

⁹⁶ The bill eliminates the reference to mailed notice in R.C. 4301.17, but it does not specify the means by which notice must be given.

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
reorganization, recapitalization, or refinancing									
Notice of process served upon Secretary of State as presumed agent for person making or opposing control bid	R						R		1707.042
Notice to Division of registration by coordination						C	R		1707.091
Notice by Division of stop order in response to failed registration by coordination	C					C	R		1707.091
Notice by Division to issuer as to whether all conditions for registration by coordination are met						C	R		1707.091

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Department of Commerce – Division of Financial Institutions									
Credit unions notice to directors of board meetings							R		1733.16
Department of Commerce – Division of Real Estate & Professional Licensing									
Notice of license renewal	R		A						4735.14
Requirement to send license of each real estate salesperson to the real estate broker associated with salesperson	R		A						4735.13
Requirement that real estate broker return license to Division of Real Estate and Professional Licensing when real estate salesperson no longer associated with broker	R		A						4735.13

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Department of Education									
State Board of Education – Record and attestation of meetings			A					C	3301.05
Department of Education – Report regarding the implementation and effectiveness of the program under which higher-poverty public schools must offer breakfast to all enrolled students before or during the school day			A						3313.818
School districts not subject to Civil Service Law – Termination of nonteaching employee contracts ⁹⁷	C		A						3319.081

⁹⁷ Current law requires that employees whose contracts are terminated be served by certified mail; the bill adds additional mailing options.

Table 1: Notification changes									
A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill									
Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
School district boards of education – Notices of nonrenewal of teachers' contracts ⁹⁸	C		A					C	3319.11
Superintendent of Public Instruction – Notices of failure to submit fingerprints as a requirement of licensure	C		A						3319.291
State Board of Education or Superintendent of Public Instruction – Issuance of subpoenas in investigations or hearings regarding teacher misconduct ⁹⁹	C		A					C	3319.311

⁹⁸ Current law requires that notices of nonrenewal be sent to teachers via certified mail; the bill adds additional mailing options. The bill also adds new forms of mailing options for a teacher to notify a district board of the teacher's desire for a hearing regarding nonrenewal of contract.

⁹⁹ Current law requires subpoenas to be issued via certified mail or by personal delivery; the bill adds additional mailing options. See also R.C. 3319.31, not in the bill.

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
School districts and other public schools – Notices regarding truancy or other attendance issues ¹⁰⁰	C		A						3321.21
Environmental Protection Agency									
Notice of a public hearing on an application for a variance from air emission requirements for an air contaminant source ¹⁰¹	A		A		C				3704.03
Notice of a public hearing on an application for a variance from solid waste			A		C				3734.02

¹⁰⁰ Current law requires notices regarding student truancy or other attendance issues be sent via registered mail; the bill adds additional mailing options.

¹⁰¹ Current law requires notice by certified mail. The bill allows either certified mail or any other type of mail accompanied by receipt. Current law also requires notification in a newspaper with general circulation in the applicable county. The bill allows either notice by newspaper publication or notice on OEPA's website.

Table 1: Notification changes									
A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill									
Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
facility permitting requirement ¹⁰²									
Notice of public hearing on application for variance from infectious waste treatment requirements ¹⁰³			A		C				3734.021
Department of Job and Family Services									
County department of job and family services – notice to assistance group of option for pre-sanction conference								R	5107.161
Office of Child Support – acknowledgment of paternity	C							R	3111.23

¹⁰² Current law requires notification in a newspaper with general circulation in the applicable county. The bill allows either notice by newspaper publication or notice on OEPA’s website.

¹⁰³ Current law requires notification in a newspaper with general circulation in the applicable county. The bill allows either notice by newspaper publication or notice on OEPA’s website.

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Department of Medicaid (ODM)									
ODM – exception review of nursing facility quarterly resident assessment data								R	5165.193
ODM, Department of Health, and nursing facilities – written notice regarding nursing facility certification and survey orders	C							C	5165.86 ¹⁰⁴
Home care attendants – health and welfare meetings with consumers			A			A		C	5166.303 ¹⁰⁵
ODM – notice to hospital of preliminary amount of	R								5168.08

¹⁰⁴ The bill expands this current authority by also permitting the notice to be provided by other means reasonably calculated to provide prompt actual notice.

¹⁰⁵ The in-person meeting requirement may be satisfied by telephone or other electronic means, if permitted by ODM rules.

Table 1: Notification changes									
A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill									
Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Hospital Care Assurance Program assessment									
ODM – notice to hospital of preliminary amount of hospital assessment	R								5168.22 and 5168.23
Department of Natural Resources – Division of Oil and Gas Resources Management									
Copy of drilling permit application to local government	C		C	R					1509.06
Notice of order regarding adjudication, determination, or finding ¹⁰⁶	C		A						1571.10 and 1571.14
Hearing officer Notice of order affirming or vacating adjudication,	C		A						1571.14 and 1571.15

¹⁰⁶ R.C. 1571.10 provides for certified mail or electronic notice, rather than registered mail as under current law.

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
determination, or finding ¹⁰⁷									
Notice of hearing of complaint regarding underground storage of gas ¹⁰⁸	C		A						1571.16
Department of Natural Resources – Division of Mineral Resources Management									
Notices related to coal mining reclamation services ¹⁰⁹	C		A						1513.08
Notice of death by accident in any mine			A			C	R		1565.12

¹⁰⁷ R.C. 1571.14 and 1571.15 provide for certified mail or electronic notice, rather than registered mail as under current law.

¹⁰⁸ R.C. 1571.16 provides for certified mail or electronic notice, rather than registered mail as under current law.

¹⁰⁹ R.C. 1513.08 provides for certified mail or electronic notice with acknowledgment of receipt.

Table 1: Notification changes									
A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill									
Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Department of Natural Resources – other notifications									
Reservoir operator that plugs or reconditions a coal mine in a specific time – Notice that plugging or reconditioning will be delayed ¹¹⁰	C		A						1571.05
Gas storage well inspector – Notice of use of alternative method or material regarding underground storage of gas ¹¹¹	C		A						1571.08(A)
Gas storage well inspector – Notice of objection regarding resolution of	C		A						1571.08(B)

¹¹⁰ R.C. 1571.05 provides for certified mail or electronic notice, rather than registered mail as under current law.

¹¹¹ R.C. 1571.08(A) provides for certified mail or electronic notice, rather than registered mail as under current law.

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
underground storage of gas issue ¹¹²									
Public Utilities Commission of Ohio									
Underground Technical Committee – Copy of meeting-related documents for committee members before meeting	C		C	R					3781.342(C)
Department of Rehabilitation and Correction									
Notice regarding escaped prisoners	C		A	C					5120.14
Written notice, request, and certificate for a prisoner's request for final disposition of a pending untried indictment, information,	C		A	A					2941.401

¹¹² R.C. 1571.08(B) provides for certified mail or electronic notice, rather than registered mail as under current law.

Table 1: Notification changes									
A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill									
Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
or complaint against the prisoner									
Bureau of Workers' Compensation									
Workers' compensation information a professional employer organization must provide to a client employer after receiving a written request from the client employer	C		A					C	4125.03
Consultation between Administrator of Workers' Compensation and designee that must occur before the designee issues certain orders under the Public Employment Risk Reduction Program						R		R	4167.10

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Local government									
Municipal corporations – Notice regarding escaped prisoners	C		A	C					753.19

Authority for public entities to meet via electronic means

The bill permits certain public entities to meet via electronic means, instead of in-person meetings, provided that the meetings still allow for interactive public attendance.

Table 2: Public entities authorized to meet via electronic means		
Public entity	Description	R.C. citation
Ohio Advisory Council for the Aging	Permits the council to form a quorum and take votes at meetings conducted electronically, if arrangements are made for interactive public attendance at those meetings	173.03
Internet- or computer-based community schools (e-schools) – meetings with students	Permits e-school teachers to meet with each student electronically	3314.21
School districts or other public schools – hearings for students and parents regarding notice to Registrar of Motor Vehicles for excessive unexcused student absences from school	Permits districts and schools to conduct hearings electronically	3321.13
Department of Public Safety – Registrar of Motor Vehicles	Authorizes an administrative hearing on the suspension or impoundment of a driver’s license or license plates for a failure to provide proof of motor vehicle insurance to be held remotely	4509.101
County, township, or municipal corporation	Before creating a tax increment financing district (TIF), community reinvestment area (CRA), enterprise zone, or similar tax-exempt district, a political subdivision must send notice to each school district located within the proposed district or area. The school district may request a meeting with the political subdivision to discuss the terms of the agreement ¹¹³	5709.83

¹¹³ There is no requirement under continuing law that these meetings allow public attendance or participation.

Electronic submission to receive certain public services

The bill permits or requires public entities to establish electronic means of submission for such services as licensure, approvals, and other services. The table below provides an overview of these changes.

Table 3: Services permitting or requiring electronic submission		
Public entity	Description	R.C. citation
Department of Natural Resources – Division of Oil and Gas Resources Management	May require electronic submission of various documents; permits the Division Chief to establish a procedure to exempt a participant from electronic submission	1509.031
School district boards of education – notice of surplus property for donation	Removes the requirement that district boards publish, in a “newspaper of general circulation,” notice of intent to donate property that is not needed, obsolete, or unfit for the district’s use with a value of less than \$2,500; but maintains requirement of continual posting of such notice in the district board’s office Permits a nonprofit organization to submit electronically its written notice to a district board of its desire to obtain donated district property	3313.41(G)
Department of Education – Jon Peterson Special Needs Scholarship provider information to applicants	Permits an alternative public or registered private provider of special education services to submit the profile of the provider’s program to applicants by electronic means	3310.521
Board of county commissioners of a county solid waste management district and the board of directors of a joint solid waste management district	Allows a board to submit a report of fees and accounts to OEPA in any manner prescribed by the Director, rather than by computer disk only, as in current law	3734.575
Every court of record	When a person forfeits bail for a traffic or equipment offense, requires a county court judge, mayor of a mayor’s court, or clerk to submit to the Bureau of Motor Vehicles, in a secure electronic format, an abstract of the court record (current law does not specify the method of submission)	4510.03

References to stenographic records

The bill modifies or removes references to public entities creating or retaining stenographic records of certain proceedings. The table below summarizes these changes.

Table 4: Stenographic recordkeeping requirements		
Public entity	Description	R.C. citation
Department of Commerce – Division of Financial Institutions	Provides that a “stenographic record” includes the use of an audio electronic recording device in administrative hearings conducted by the Division	1121.38
Department of Commerce – Board of Building Standards	Removes the requirement that the Department of Commerce must assign stenographers to the Board of Building Standards to aid in their duties	3781.08
Department of Natural Resources – Division of Mineral Resources Management	Removes option to retain a stenographic record of certain proceedings	1513.071 and 1513.16
State Board of Education	Removes the requirement that public meetings of the State Board be recorded “in a book provided for that purpose”	3301.05
School district board of education	Removes the requirement that district boards provide for a “complete stenographic record” of hearings regarding teacher contract termination	3319.16
OEPA – hearing on application for variance from solid waste facility requirements	Authorizes the OEPA Director to make either a complete stenographic record or electronic record of testimony and other evidence submitted at the hearing (rather than a stenographic record only, as in current law)	3734.02
OEPA – hearing on application for variance from infectious waste treatment requirements	Authorizes the OEPA Director to make either a complete stenographic record or electronic record of testimony and other evidence submitted at the hearing (rather than a stenographic record only, as in current law)	3734.021
OEPA – public meeting on variance from Voluntary Action Program requirements	Authorizes a stenographic record or electronic record of proceedings (rather than stenographic only, as in current law)	3746.09

Table 4: Stenographic recordkeeping requirements

Public entity	Description	R.C. citation
BWC	Removes a requirement that all testimony recorded during a BWC proceeding be taken down by a BWC-appointed stenographer	4121.19
BWC	Removes a requirement that BWC pay for stenographic depositions when a claim is appealed to a court but retains the requirement that the BWC pay for the depositions filed	4123.512

MISCELLANEOUS

Additional PERS service credit purchase

- Allows a Public Employees Retirement System (PERS) member appointed by the Speaker of the House or Senate President to serve full-time as a member of a board, commission, or other public body to purchase additional PERS service credit for the appointment period.

Withholding child and spousal support from gambling winnings

- Eliminates references in the law to an obsolete paper-based process for the Lottery Commission (LOT) to withhold past due child or spousal support from a person's lottery winnings.
- Requires LOT still to withhold those amounts using a computerized database maintained by JFS.
- Requires a casino operator or sports gaming proprietor to transmit withheld child and spousal support to JFS by electronic means.

Additional PERS service credit purchase

(R.C. 145.201)

Under the bill, a Public Employees Retirement System (PERS) member appointed by the Speaker of the House or Senate President to serve full time as a member of a board, commission, or other public body may, before retirement, purchase additional PERS service credit for the appointment period in an amount up to 35% of the credit allowed for that period. Continuing law allows a PERS member who is an elective official or is appointed by the Governor with the advice and consent of the Senate to serve as a full-time member of a board, commission, or other public body to purchase the additional service credit for the period as an elective or appointed official.

Continuing law allows the PERS Board to determine by rule who is full time for the purpose of determining eligibility for a purchase of additional service credit. Under those rules, a member of a board, commission, or other public body must earn a salary of at least \$1,000 per month to be considered full time.¹¹⁴ Of the boards and commissions that have Speaker- or President-appointed members who are not legislators and participate in PERS, it appears that only the members of the Transportation Review Advisory Council appointed by the Speaker or President could earn enough salary in a month to be considered full time and eligible to purchase additional PERS service credit under this provision.¹¹⁵

¹¹⁴ O.A.C. 145-2-07.

¹¹⁵ R.C. 5512.08, not in the bill.

Withholding child and spousal support from gambling winnings Lottery winnings

(R.C. 3123.89, 3770.071, and 3770.99)

The bill eliminates references in the law to an obsolete paper-based process for the Lottery Commission (LOT) to withhold past due child or spousal support from a person's lottery winnings. However, LOT still must withhold those amounts using a computerized database.

Under continuing law, when a person's lottery winnings meet a certain dollar threshold, LOT must check a Department of Job and Family Services (ODJFS) database to determine whether the person owes any past due child or spousal support. If the person does owe past due support, LOT must withhold the past due amount from the person's winnings and send the money to ODJFS. Continuing law also requires LOT to withhold income taxes and any debts owed to the government. The dollar threshold for withholding is based on the federal income tax reporting threshold for gambling winnings, which is generally \$600 for lottery games.¹¹⁶

In addition to referencing the ODJFS database, existing law describes an older process that requires ODJFS and LOT to communicate with each other using paper forms to identify lottery winners who owe past due support and withhold the amount from the winnings. The bill removes that process and requires LOT and ODJFS to use the database.

Casino and sports gaming winnings

(R.C. 3123.90)

The bill also modifies similar provisions of law concerning withholding of past due child and spousal support from casino and sports gaming winnings to require a casino operator or sports gaming proprietor to transmit the money to ODJFS by electronic means.

¹¹⁶ See R.C. 3770.072 and 3770.073, not in the bill; 26 U.S.C. 6041; and Internal Revenue Service, [Instructions for Forms W-2G and 5754 \(01/2021\)](#), available at [irs.gov](https://www.irs.gov) under "Forms and Instructions."

NOTES

Effective dates

(Sections 812.10 to 812.30)

Article II, Section 1d of the Ohio Constitution states that “appropriations for the current expenses of state government and state institutions” and “[l]aws providing for tax levies” go into immediate effect and are not subject to the referendum. The bill includes a default provision stating that, except as otherwise specifically provided, the amendment, enactment, or repeal of a section is subject to the referendum and takes effect on the 91st day after the act is filed with the Secretary of State (barring the filing of a referendum petition). The bill also includes exceptions to the default provision, some of which provide that specified provisions are not subject to the referendum and go into immediate effect.

Expiration

(Section 809.10)

The bill includes an expiration clause stating that an item that composes the whole or part of an uncodified section contained in the bill (other than an amending, enacting, or repealing clause) has no effect after June 30, 2025, unless its context clearly indicates otherwise.

HISTORY

Action	Date
Introduced	02-15-23