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**House of Representatives Government Oversight Committee
Senate Bill 91 — Sponsor Testimony
November 14, 2023**

Chairman Peterson, Vice Chairman Thomas, Ranking Member Humphrey and members of the House of Representatives Government Oversight Committee, thank you for the opportunity to present sponsor testimony on Senate Bill 91.

Senate Bill 91 was created with help from the State Auditor Keith Faber, and aims to target waste, fraud, and abuse in the public sector. Earlier this year, State Auditor Faber's office announced their 100th fraud conviction since 2019 with more convictions on the way.

In many cases, individuals committing fraud may have been caught sooner if mandatory reporters were in place and staff received training on how to spot and report fraud, waste and abuse.

I am happy to report that the fraud training requirement language from the As Passed by the Senate version of Senate Bill 91 was included as part of the state operating budget earlier this year, so we removed it from the substitute bill that was adopted today.

Many of the changes to Senate Bill 91 from the substitute bill reflect conversations with Governor DeWine's office and takes into account his veto message on the language that he removed from the state operating budget.

Under the current version of Senate Bill 91, this legislation creates mandatory reporters in public offices. A mandatory reporter is someone who is required by law to report a crime to the proper authorities immediately upon finding out a crime was or may have been committed. There are two groups classified as mandatory reporters in the bill. One group is at the state level, and other group is at the local level.

The mandatory reporters under this bill at the local level are elected officials, appointed officials, supervisors in a public office, any employee with a fiduciary duty to a public office, and any employee who is responsible for processing expenses of a public office, that become aware of any theft in office, fraud, or misuse of public funds. They must then report it to the State Auditor's office or local law enforcement in a timely manner.

The mandatory reporters at the state level include all state officials and employees that become aware of any theft in office, fraud, or misuse of public funds. All employees and officials must report to the Inspector General unless they are employed by or appointed to the General Assembly, any court, the Secretary of State, State Auditor, State Treasurer, or Attorney General, which reports to the State Auditor's office.

We have also added specific language to the bill that protects against self-incrimination and assures Fifth Amendment protections.

The bill requires the State Auditor to promptly notify the local chief legal officer such as the local prosecuting attorney or if a report that the State Auditor has received included probable theft or fraud. The only exception to this is if the local chief legal officer is the alleged offender being reported.

Language in the bill also notes that a person who serves as legal counsel for a public office is not required to report a violation to the State Auditor if it concerns communication from a client in an attorney-client relationship.

There are also whistleblower protections included in Senate Bill 91. The bill ensures that anyone reporting fraud under the bill are covered by existing whistleblower protections. For example a fraud reporter acting in good faith cannot be:

- Fired
- Forced to resign
- Be reassigned
- Be suspended
- Have wages reduced or withheld
- Denied a promotion

Any employer found to violate these whistleblower protections may be subject to civil action by the whistleblower within 180 days of an improper disciplinary action. However, anyone who abuses the fraud reporting system by not making a reasonable report and acting in good faith may be subject to disciplinary action up to and including suspension or termination.

This legislation is an opportunity for the legislature to take part in ensuring that public funds are used appropriately, and taxpayers' money is protected.

I am pleased to report that the bill has the support of the County Commissioners Association of Ohio, Ohio Township Association, and the Ohio Municipal League and was unanimously passed out of the Senate.

Thank you once again, Chairman Peterson and the members of the committee, for the opportunity to present this issue to you today. I will be glad to answer any questions at this time.