

Mike DeWine, Governor Jon Husted, Lt. Governor Joseph Baker, Director

February 22, 2023 Senate Bill 18 Proponent Testimony Senate Government Oversight Committee

Chair Roegner, Vice Chair Antani, Ranking Member Hicks-Hudson, Senator Lang, and Senator McColley, thank you for the opportunity to testify today in support of Senate Bill 18 on behalf of the Common Sense Initiative (CSI) Office. My name is Joseph Baker, and I am the Director of CSI, under the direction of Lt. Governor Jon Husted.

This legislation is a result of efforts by CSI, InnovateOhio, and partnering state agencies to modernize and innovate outdated provisions in the Ohio Revised Code. You may recall in 2020-2021, CSI collaborated with InnovateOhio to employ an artificial intelligence tool to comb through the Ohio Revised Code and identify outdated terms and requirements that remain in existence in statute but have become obsolete in practice. The items in this legislation are among the victories we have achieved by using that tool.

For instance, the bill updates numerous provisions that unnecessarily require:

- Stenographic recordkeeping for various hearings to instead permit electronic recordings, which are freely and easily created, maintained, and made available to interested parties.
- Physical documentation or mailing requirements to instead allow for information to be submitted or distributed electronically.
- An unnecessary in-person interaction between businesses, citizens, and state agencies, where electronic communications can be readily deployed to save time and money.
- The use of outdated and unused forms of communication such as telegram, telefax, and videocassette and to instead replace them with modern equivalents.

For example, these provisions include allowing the Division of Oil and Gas at the Ohio Department of Natural Resources to adopt electronic processes for submitting various documents, rather than scanning and copying paper forms related to oil and gas permits—saving over \$100,000 for the state annually, as well as time for businesses waiting on state review and approval. The bill will also enable the Ohio Department of Transportation to advertise for bids electronically on its website, saving almost \$100,000 annually and significant administrative time, which is currently being expended on publishing advertisement notices that contracting businesses simply do not look for anymore.

Additionally, the Ohio Environmental Protection Agency (EPA) will be able to provide public notices to businesses electronically rather than sending individual pieces of certified mail, using electronic contact information already provided by the business and used by Ohio EPA through its eBusiness center for other purposes, while the Ohio Department of Taxation will be able to use a similar process for notifying businesses and individuals who have provided electronic contact information to the Department regarding tax assessments. Driver's license suspension hearings conducted by the Ohio Bureau of Motor Vehicles will also now be able to be held remotely, saving participants and state officials time and money. Special education providers will be able to submit provider program profiles to applicants electronically, rather than only by physical documentation. Individuals seeking access to recorded information from an insurance company will be able to obtain that information in a manner agreed to by the individual and the company (which includes electronic communications) rather than having to choose between an in-person visit or physical mail. Individuals with driver's licenses that are restricted due to a medical condition will be able to send the required statement from their physician to the Ohio Department of Public Safety for renewal without having to use certified mail, which costs that person \$7.50 when using a paper return receipt. The Division of Real Estate at the Ohio Department of Commerce, based on this bill, will be able to provide initial and renewal real estate licenses to licensees electronically, saving time for individuals eager to get to work. And real estate brokers will be able to maintain an electronic copy of each salesperson's license instead of the physical copy and notify the Division when the relationship with the salesperson ends electronically, instead of physically mailing the physical license to the Division.

These changes, all together, will improve customer service in state government, help businesses get the information they need more quickly, and, over the next decade, save the State of Ohio an estimated \$44 million in taxpayer dollars and 58,000 hours of state employee labor through simple efficiency improvements.

I want to make clear that the bill does not change state law for all types of notices or eliminate all types of in-person interactions. Instead, when CSI developed the list of provisions in the bill through discussions with state agencies, our emphasis was on identifying areas where technological updates fit the CSI mission of promoting regulatory "common sense"—that is identifying areas where there is clear consensus that the use of technology would be appropriate and effective, not to simply remove all mail requirements in the Ohio Revised Code. The provisions selected for this bill were vetted carefully based on dialogues between state agencies and their stakeholders and -- as a result of that tailored approach -- there has been no opposition to any provision in the bill to date, a process that included five hearings before this Senate Committee during the previous General Assembly.

In conclusion, I would like to thank the chair and the committee for your time and attention, as well as our sponsor, Senator Wilson, for his work in carrying this common-sense bill through the legislative process.

This concludes my testimony, and I am happy to answer any questions.