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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 176  
(1\_136\_2964)  
136<sup>th</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 176's Bill Analysis](#)

**Version:** In House Government Oversight

**Primary Sponsors:** Reps. Fischer and Lorenz

**Local Impact Statement Procedure Required:** No

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### Highlights

- The bill creates the Universal Regulatory Sandbox Program within the Governor's Common Sense Initiative Office, and requires the Governor to establish the Regulatory Relief Division to administer the program. It is unclear whether additional staff will be needed to administer the program.
- The bill establishes the Universal Regulatory Sandbox Program Fund, consisting of program application fees, to pay for operating expenses of the Regulatory Relief Division.
- The bill creates the Universal Regulatory Sandbox Program Advisory Committee to review applications to the program and make recommendations for approval. Members of the Advisory Committee are not compensated but may be reimbursed actual expenses incurred in the performance of their duties.

### Detailed Analysis

#### Universal Regulatory Sandbox Program

The bill establishes the Universal Regulatory Sandbox Program to be administered by the Regulatory Relief Division within the Common Sense Initiative Office, which is located within the Office of the Governor (GOV). Under current law, there is an existing regulatory sandbox program that pertains only to novel financial products and services, whereas the program established under the bill applies to any innovative product or service across all industries. The current sandbox program has been administered by the Division of Financial Institutions. According to

the State Policy Network, nine states have some form of a regulatory sandbox. Utah has an all-encompassing regulatory sandbox similar to what is proposed in the bill.<sup>1</sup>

## **Regulatory Relief Division**

The bill creates the Regulatory Relief Division within GOV to administer the Universal Regulatory Sandbox Program. The bill requires the Division to administer the applications for participation, and act as liaison between private businesses and state agencies. The bill also permits the Division to adopt rules as needed to administer the program, including rules that establish application and reporting requirements, and that allow for cooperation and consultation with the Superintendent of Financial Institutions to ensure cooperation with the existing regulatory sandbox program. Presumably, many of the rules and requirements of the existing program would be implemented in the Universal Program created under the bill.

It is not clear whether GOV will need to hire any additional staff for the Regulatory Relief Division, or simply use existing staff to cover operations. The bill additionally creates the Universal Regulatory Sandbox Program Fund to be used by GOV to pay the costs of implementing the program. The fund consists of application fees established by rule. The existing application fee for the current sandbox program is \$750. The collection of these fees will help to offset these new costs, at least in part.

## **Universal Regulatory Sandbox Program Advisory Committee**

The bill creates the Universal Regulatory Sandbox Program Advisory Committee, comprised of 11 members who will advise and make recommendations to the Regulatory Relief Division. The Committee must review applications for participation in the program and make recommendations to the Regulatory Relief Division as to whether applications should be approved. The members of the Advisory Committee serve without compensation but may be reimbursed for expenses incurred in the performance of their duties. The [LSC bill analysis](#) contains further details on the composition and appointment of members of the Advisory Committee as well as the required materials for applications and the Advisory Committee review process.

## **Reporting requirements**

The bill contains several different reporting requirements related to the program. First, on October 1 of the year following the effective date of the bill, and annually thereafter, GOV is required to submit a written report to the General Assembly regarding the activities of the Regulatory Relief Division, including information regarding participants in the Universal Program, and any recommended changes. Additionally, the bill requires applicable state agencies, within 30 days after the agency receives a quarterly report from a sandbox participant, to provide a written report to the regulatory relief office describing any statute or regulation reforms the agency recommends based on these participant reports. Impacted state agencies might incur some minimal additional administrative costs to compile this information.

The bill additionally requires GOV to create and maintain a public webpage on its website where Ohio residents and businesses can make suggestions regarding laws and regulations that

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<sup>1</sup> The [State Policy Network Sandbox Report](#) (accessed May 2025) is available on the State Policy Network website: [spn.org](http://spn.org).

could be modified or eliminated. GOV could incur some minimal additional costs for creating this webpage and compiling and reporting the suggestions made. More specifically, the bill requires the Regulatory Relief Division, at least quarterly, to compile the suggestions and provide a written report to the Governor and the General Assembly discussing the most common suggestions. The Division is authorized to evaluate the report and offer its own suggestions for modifying or eliminating regulations based on the evaluation.

## **Synopsis of Fiscal Effect Changes**

The bill's fiscal effects remain unchanged under the substitute bill (I\_136\_2964), which makes changes to Universal Regulatory Sandbox Program regulations and eligibility.