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# OHIO LEGISLATIVE SERVICE COMMISSION

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H.B. 701  
136<sup>th</sup> General Assembly

## Bill Analysis

**Version:** As Introduced

**Primary Sponsors:** Reps. Williams and Humphrey

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### SUMMARY

- Allows a 17-year-old who has previously been found to be a delinquent child to apply for a Certificate of Qualification for Employment (CQE) in the juvenile court that adjudicated the child's delinquency.
- Requires a court to review a petition for a CQE and grant the petition, provided it is accurate and the child is no longer under the court's jurisdiction.
- Provides immunity to an employer against any claim that the employer was negligent in hiring or supervising a 17-year-old who has previously been found to be a delinquent child if the child possesses a CQE created by the bill.
- Prohibits an employer from discriminating against an employee in the payment of wages or the provision of fringe benefits on the basis that the employee has been granted a CQE created by the bill.
- Allows a minor who is of compulsory school age to use a CQE created by the bill in lieu of a work permit as proof of the minor's age and of an employer's right to employ the minor.
- Requires workers' compensation claims involving a 17-year-old employee with a CQE to be charged to the Surplus Fund Account within the State Insurance Fund in lieu of a state fund employer's experience.
- Requires a self-insuring employer to deduct compensation and benefits payable under the Workers' Compensation Law to a 17-year-old employee with a CQE from the paid compensation the self-insuring employer reports.

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## DETAILED ANALYSIS

### Certificate of qualification for employment for juvenile offenders

A Certificate of Qualification for Employment (CQE) is designed to help individuals who have a previous felony or misdemeanor conviction with “collateral sanctions,” such as employment or occupational licensing barriers. The CQE is a certificate for which an individual may obtain an order of limited relief from a common pleas court that will provide relief from certain bars to employment or licensing in the state of Ohio. A CQE holder has voluntarily undergone a rigorous review process by Ohio rehabilitation officials, a judge, and a probation department.<sup>1</sup>

The bill allows a 17-year-old who has previously been found to be a delinquent child under continuing law to apply to the juvenile court that adjudicated the child’s delinquency for a CQE. A court that receives a petition must review it. Assuming the petition is accurate, and the child is no longer under the jurisdiction of the court in the delinquency matter, the court must issue the CQE to the child.

If a 17-year-old who has previously been found to be a delinquent child possesses a CQE created by the bill, the child’s employer is immune against any claim that the employer was negligent in hiring or supervising the child.<sup>2</sup>

### Nondiscrimination against certificate holder

The bill prohibits an employer from discriminating against an employee in the payment of wages or the provision of fringe benefits on the basis that the employee has been granted a CQE created by the bill. Specifically, the bill prohibits the employer from paying lower wages or providing fewer fringe benefits to an employee with a CQE than to another employee when both employees perform equal work, under similar conditions, on jobs that require equal skill, effort, and responsibility.<sup>3</sup>

Under the bill, an employee who believes an employer has discriminated against the employee for having a CQE may sue the employer in any court of competent jurisdiction. The employee may recover two times the difference between the wages and value of fringe benefits received and the wages and value of fringe benefits received by an employee performing equal work for the employer from the date of commencement of the violation.

The bill also prohibits an employer from discriminating against an employee for making a complaint or instituting, or testifying in, a court proceeding related to a discrimination proceeding under the bill. For any violation of this prohibition, a court may grant any remedy the court considers appropriate under the circumstances.

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<sup>1</sup> [Certificate of Qualification for Employment](#), Supreme Court of Ohio website.

<sup>2</sup> R.C. 2152.30.

<sup>3</sup> R.C. 4113.90(B).

In addition to any other remedy granted by the bill, a court may award an employee reasonable attorney's fees and court costs.<sup>4</sup>

Any discrimination or retaliation claim must be brought within one year after the date of the alleged violation.<sup>5</sup>

## **Certificate in lieu of work permit**

With certain exceptions, a minor in Ohio who is of compulsory school age (between ages six and 18) may not be employed by any employer unless the minor presents to the employer an age and schooling certificate (commonly known as a "work permit"). The bill allows a minor granted a CQE under the bill to present that CQE in lieu of presenting a work permit.<sup>6</sup>

For additional information on work permits, including the types of work they authorize and when one is not required, see the LSC [Minor Labor Laws \(PDF\)](#) Members Brief, which is available on LSC's website: [lsc.ohio.gov/Publications](http://lsc.ohio.gov/Publications).

## **Workers' compensation claims by certificate holders**

Under the bill, the Administrator of Workers' Compensation must charge all compensation and medical benefits paid under the Workers' Compensation Law<sup>7</sup> to the Surplus Fund Account in the State Insurance Fund, rather than to the employer's experience, if both of the following apply to the claim:

- The employer of the employee who is the subject of the claim is a state fund employer (an employer who pays premiums to the State Insurance Fund (SIF));
- The employee who is the subject of the claim is a 17-year-old who has been granted a CQE created by the bill.

A state fund employer's experience in being responsible for its employees' workers' compensation claims may be used in calculating the employer's premium. Thus, charging compensation and benefits to the Surplus Fund Account in lieu of the employer's experience may result in a mitigation of an increase in the employer's workers' compensation premiums because of the claim.

The bill requires a self-insuring employer (an employer allowed under continuing law to pay compensation and benefits directly, rather than paying premiums to the SIF) to deduct compensation and benefits payable on account of such a claim from the paid compensation the self-insuring employer reports to the Administrator under continuing law.<sup>8</sup> Under continuing law, a self-insuring employer is responsible for the employer's share of administrative costs and other

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<sup>4</sup> R.C. 4113.90(C) and (D).

<sup>5</sup> R.C. 4113.90(E).

<sup>6</sup> R.C. 4109.02.

<sup>7</sup> R.C. Chapters 4121, 4123, 4127, and 4131.

<sup>8</sup> R.C. 4123.97(B) and (D).

assessments for specialized funds. The assessments are calculated annually based on the paid compensation attributable to the individual self-insuring employer.<sup>9</sup> Deducting compensation and benefits from the paid compensation a self-insuring employer reports to the Administrator may result in lowering the assessments paid by the employer.

The bill specifically states that it does not prohibit increasing a state fund employer's premium to recoup an additional award for a violation of a specific safety rule as authorized by the Ohio Constitution and the Workers' Compensation Law. Nor does it permit a self-insuring employer to deduct any amount paid by the employer for a violation of a specific safety rule.<sup>10</sup>

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## HISTORY

Action	Date
Introduced	02-17-26

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<sup>9</sup> R.C. 4123.35(B), (J), and (L).

<sup>10</sup> R.C. 4123.97(C) and (D), by reference to Ohio Constitution, Article II, Section 35 and R.C. 4121.47, not in the bill.