

H. B. No. 371  
As Passed by the House

\_\_\_\_\_ moved to amend as follows:

In line 5 of the title, after "tissue" insert "and to make temporary 1  
changes regarding certificates of need" 2

After line 441, insert: 3

**"Section 4.** Notwithstanding division (A) of section 4  
3702.523 and divisions (A) and (B) of section 3702.524 of the 5  
Revised Code, or any other conflicting provision in sections 6  
3702.51 to 3702.62 of the Revised Code, all of the following 7  
apply in the case of a certificate of need granted during the 8  
period beginning March 9, 2020, and ending June 18, 2021: 9

(A) The Director of Health shall grant the holder of a 10  
certificate of need a twenty-four-month extension to obligate 11  
capital expenditures and commence construction for a proposed 12  
project. The extension shall be effective during the twenty- 13  
four-month period immediately following the expiration date of 14  
the twenty-four-month period that otherwise would apply, as 15  
described in division (A) of section 3702.524 of the Revised 16  
Code. The Director shall notify the holder of the certificate of 17  
need of the date on which the twenty-four-month extension 18



expires. 19

(B) (1) Subject to division (B) (2) of this section, the 20  
transfer of a certificate of need, or the transfer of the 21  
controlling interest in an entity that holds a certificate of 22  
need, prior to completion of the reviewable activity for which 23  
the certificate of need was granted, does not void the 24  
certificate of need. 25

(2) In the event of a transfer as described in division 26  
(B) (1) of this section, upon receipt of written notice from the 27  
transferee that provides sufficient evidence to enable the 28  
Director to determine that recognizing the new owner and 29  
operator will not cause any of the circumstances specified in 30  
division (B) of section 3702.59 of the Revised Code to occur, 31  
the Director shall recognize the transfer of ownership of the 32  
entity granted the certificate of need to the new owner. 33

**Section 5.** (A) Subject to division (B) of this section, 34  
notwithstanding division (C) (8) of section 3702.52 of the 35  
Revised Code and any rules adopted by the Director of Health to 36  
the contrary, for a period of twenty-four months after the 37  
effective date of this section, the Director of Health shall not 38  
impose a civil monetary penalty against any person holding a 39  
certificate of need for obligating under the certificate a 40  
capital expenditure in an amount between one hundred ten and one 41  
hundred fifty per cent of the approved project cost. 42

(B) This section applies to any certificate of need that 43  
was granted on or before the effective date of this section and 44  
for which the Director of Health is still monitoring the 45  
activities of the person granted the certificate." 46

The motion was \_\_\_\_\_ agreed to.

<u>SYNOPSIS</u>	47
<b>Temporary certificate of need changes</b>	48
<b>Sections 4 and 5</b>	49
For a certificate of need (CON) granted during the period of the COVID-19 state of emergency:	50
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--Requires the Director of Health to grant a CON holder a 24-month extension to obligate capital expenditures and commence construction for a proposed project;	52
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--Provides that the transfer of a CON, or transfer of the controlling interest in an entity that holds a CON, prior to completion of the reviewable activity for which the CON was granted, does not void the CON, so long as recognizing the transfer would not result in a violation of existing law that prohibits a CON application from being approved in various circumstances.	55
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For a CON granted on or before the effective date of the bill, prohibits the Director of Health from imposing a civil penalty against a CON holder for obligating a capital expenditure in an amount between 110% and 150% of the approved project cost (current administrative rules permit a monetary penalty for obligating more than 110% of the approved project cost).	62
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