As Introduced

131st General Assembly

Regular Session 2015-2016

H. B. No. 330

Representatives Howse, Clyde

Cosponsors: Representatives Sykes, Johnson, G., Kuhns, Fedor, Antonio, Driehaus, Ramos, Leland, Lepore-Hagan, Stinziano, Strahorn, Phillips, Sheehy, Smith, K., Ashford, Slesnick, Reece, Boyd, Cera, Rogers, Craig, O'Brien, M., Boyce, Patterson

A BILL

Го	amend section 4117.08 and to enact sections	1
	9.71, 9.72, 9.73, 9.74, 9.75, 9.76, 9.77, 9.78,	2
	9.79, 142.01, 142.02, 142.03, 142.04, 142.05,	3
	142.06, 142.07, 142.08, 142.09, 142.10, 4113.42,	4
	and 4117.141 of the Revised Code to require a	5
	contractor or person submitting a bid or other	6
	proposal for a state contract or a business	7
	entity applying for a grant or other economic	8
	incentive from a state agency to obtain an equal	9
	pay certificate, to require state agencies and	10
	political subdivisions to establish a job	11
	evaluation system to identify and eliminate sex-	12
	based wage disparities among classes of	13
	employees, and to prohibit an employer from	14
	retaliating against an employee who discusses	15
	the employee's salary or wage rate with another	16
	employee.	17

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 4117.08 be amended and sections	18
9.71, 9.72, 9.73, 9.74, 9.75, 9.76, 9.77, 9.78, 9.79, 142.01,	19
142.02, 142.03, 142.04, 142.05, 142.06, 142.07, 142.08, 142.09,	20
142.10, 4113.42, and 4117.141 of the Revised Code be enacted to	21
read as follows:	22
Sec. 9.71. As used in sections 9.71 to 9.79 of the Revised	23
<pre>Code:</pre>	24
(A) "Business entity" means a corporation, partnership,	25
association, firm, sole proprietorship, limited liability	26
corporation, limited liability partnership, or other entity	27
engaged in business.	28
(B) "Construction manager" and "construction manager at	29
risk" have the same meanings as in section 9.33 of the Revised	30
Code.	31
(C) "Contractor" means any person who undertakes to	32
construct, alter, erect, improve, repair, demolish, remove, dig,	33
or drill any part of a public improvement under a contract, and	34
includes a construction manager, construction manager at risk,	35
and design-build firm.	36
(D) "Design-build firm" has the same meaning as in section	37
153.65 of the Revised Code.	38
(E) "EEO-1 report" means the report required by the United	39
States equal employment opportunity commission under 29 C.F.R.	40
<u>1602.7.</u>	41
(F) "Public improvement" means any construction,	42
reconstruction, improvement, enlargement, alteration,	43
demolition, or repair of a building, highway, drainage system,	44
water system, road, street, alley, sewer, ditch, sewage disposal	45
plant, water works, and any other structure or work of any	46

nature by a state agency.	47
(G) "State agency" has the same meaning as in section 1.60	48
of the Revised Code.	49
Sec. 9.72. (A) (1) No state agency shall award a contract	50
for a public improvement to a contractor who employs four or	51
more full-time employees on any day in the prior twelve months	52
in the state where the contractor has the contractor's principal	53
place of business unless the contractor meets one of the	54
<pre>following conditions:</pre>	55
(a) The contractor has obtained an equal pay certificate	56
issued under section 9.73 of the Revised Code.	57
(b) The contractor has certified that the contractor is	58
exempt from obtaining a certificate pursuant to division (B) of	59
this section in accordance with rules adopted by the director of	60
administrative services.	61
(2) No state agency shall award a contract to provide	62
goods or services to a state agency to a person who employs four	63
or more full-time employees on any day in the prior twelve	64
months in the state where the person has the person's principal	65
place of business unless the person meets one of the following	66
<pre>conditions:</pre>	67
(a) The person has obtained an equal pay certificate	68
issued under section 9.73 of the Revised Code.	69
(b) The person has certified that the person is exempt	70
from obtaining a certificate pursuant to division (B) of this	71
section in accordance with rules adopted by the director.	72
(3) No state agency shall award a grant or other economic	73
incentive to a business entity that employs four or more full-	74

time employees on any day in the prior twelve months in the	75
state where the business entity has the business entity's	76
principal place of business, including if the award is being	77
made upon recommendation of the nonprofit corporation formed	78
under section 187.01 of the Revised Code, unless the business	79
entity meets one of the following conditions:	80
(a) The business entity has obtained an equal pay	81
certificate issued under section 9.73 of the Revised Code.	82
(b) The business entity has certified that the business	83
<pre>entity is exempt from obtaining a certificate pursuant to</pre>	84
division (B) of this section in accordance with rules adopted by	85
the director of administrative services.	86
(B) This section does not apply to a contractor, person,	87
or business entity described in division (A) of this section,	88
with respect to a specific contract for a public improvement, to	89
provide goods or services to a state agency, or to a specific	90
grant or other economic incentive, if the director determines	91
that compliance with division (A) of this section would cause	92
undue hardship to the contractor, person, or business entity.	93
(C) The director shall adopt rules in accordance with	94
Chapter 119. of the Revised Code to do all of the following:	95
(1) Establish procedures to apply for and requirements to	96
obtain an exemption described in division (A) of this section;	97
(2) Define "undue hardship" for purposes of division (B)	98
of this section;	99
(3) Procedures to renew a certificate.	100
(D) The director shall provide technical assistance to a	101
<pre>contractor, person, or business entity who requests assistance</pre>	102

regarding compliance with sections 9.71 to 9.79 of the Revised	103
Code.	104
Sec. 9.73. (A) A contractor wishing to be awarded a	105
contract for a public improvement, a person wishing to provide	106
goods or services to a state agency, or a business entity	107
wishing to be awarded a grant or other economic incentive shall	108
apply for a certificate required by section 9.72 of the Revised	109
Code by submitting a twenty-five-dollar filing fee and an equal	110
pay compliance statement described in this section to the	111
director of administrative services. An equal pay compliance	112
statement shall be signed by the contractor, person, or the	113
chief executive officer of the business entity and contain all	114
of the following information:	115
(1) That the contractor, person, or business entity is in	116
compliance with Title VII of the Civil Rights Act of 1964, 42	117
U.S.C. 2000e et seq., the Equal Pay Act of 1963, 29 U.S.C.	118
206(d), Chapter 4112. of the Revised Code, and section 4111.17	119
of the Revised Code;	120
(2) That the average compensation for female employees is	121
not consistently below the average compensation for male	122
employees within each of the major job categories in the	123
contractor's, person's, or business entity's EEO-1 report, if	124
the contractor, person, or business entity is required to file	125
that report, taking into account all of the following factors:	126
(a) Length of service;	127
(b) Requirements of specific jobs;	128
(c) Experience;	129
(d) Skill;	130

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(e) Effort;	131
(f) Responsibility;	132
(g) Working conditions of the job;	133
(h) Other mitigating factors.	134
(3) That employees of one sex are not restricted to	135
<pre>certain job classifications;</pre>	136
(4) That the contractor, person, or business entity makes	137
retention and promotion decisions without regard to sex;	138
(5) That compensation and benefit disparities are	139
corrected when identified;	140
(6) The frequency in which compensation and benefits are	141
evaluated to ensure compliance with the laws listed in division	142
(A) (1) of this section;	143
(7) Which of the following approaches a contractor,	144
person, or business entity uses in setting compensation and	145
<pre>benefits:</pre>	146
(a) Market pricing;	147
(b) State prevailing wage or labor organization contract	148
<pre>requirements;</pre>	149
(c) A performance pay system;	150
(d) Internal analysis;	151
(e) An alternative approach as described by the	152
contractor, person, or business entity.	153
(8) That employees of the contractor, person, or business	154
entity are able to contact the contractor's, person's, or	155
business entity's human resources department and request to see	156

how the employee's compensation compares with other employees	157
with jobs of "comparable skill, effort, responsibility, and	158
working conditions."	159
(B) Receipt of an equal pay compliance statement by the	160
director does not establish a contractor's, person's, or	161
business entity's compliance with the laws listed in division	162
(A) (1) of this section.	163
(C) The director shall reject an application only if the	164
statement described in division (A) of this section submitted by	165
the contractor, person, or business entity does not comply with	166
the requirements of that division or the contractor, person, or	167
business entity fails to submit the required fee. The director	168
shall issue a certificate or, if the director rejects an	169
application, a statement explaining the reason for the	170
rejection, to a contractor, person, or business entity within	171
fifteen days after receiving an application submitted under this	172
section. A certificate issued under this section is valid for a	173
period of four years and may be renewed in accordance with rules	174
adopted by the director.	175
Sec. 9.74. (A) (1) The director of administrative services,	176
in accordance with Chapter 119. of the Revised Code, may suspend	177
or revoke a certificate for any of the following reasons:	178
(a) The contractor, person, or business entity fails to	179
comply with the laws listed in division (A)(1) of section 9.73	180
of the Revised Code;	181
(b) The contractor, person, or business entity has	182
multiple violations of the laws listed in division (A)(1) of	183
section 9.73 of the Revised Code;	184
(c) The contractor, person, or business entity fails to	185

comply with section 9.72 of the Revised Code.	186
(2) The director shall provide a contractor, person, or	187
business entity an opportunity to comply with section 9.72 or	188
9.73 of the Revised Code before suspending or revoking the	189
<pre>contractor's, person's, or business entity's certificate.</pre>	190
(B) A state agency, in accordance with Chapter 119. of the	191
Revised Code, may abridge or terminate a contract with a	192
contractor or person or revoke a grant or other economic	193
incentive from a business entity upon notice that the director	194
has suspended or revoked the certificate issued to a contractor,	195
person, or business entity.	196
(C) The director may void a contract or revoke a grant or	197
other economic incentive on behalf of a state agency if a	198
contractor, person, or business entity is not in compliance with	199
section 9.72 or 9.73 of the Revised Code.	200
(D) The director shall notify a state agency that has an	201
agreement with a contractor or person or has awarded a grant or	202
other economic incentive to a business entity before the	203
director voids the contract or revokes the grant or other	204
economic incentive under division (C) of this section.	205
Sec. 9.75. (A) The director of administrative services	206
shall notify a contractor, person, or business entity who holds	207
a certificate issued under section 9.73 of the Revised Code by	208
certified mail of the director's decision to suspend or revoke a	209
<pre>contractor's, person's, or business entity's certificate under</pre>	210
section 9.74 of the Revised Code.	211
(B) A state agency shall notify a contractor, person, or	212
business entity by certified mail of the state agency's decision	213
to abridge or terminate a contractor's or person's contract or	214

to revoke a business entity's grant or other economic incentive	215
under section 9.74 of the Revised Code.	216
Sec. 9.76. The director of administrative services may	217
audit a contractor, person, or business entity described in	218
section 9.72 of the Revised Code to determine whether the	219
contractor, person, or business entity is in compliance with	220
section 9.72 or 9.73 of the Revised Code. As part of an audit, a	221
contractor, person, or business entity shall provide to the	222
director information for all employees expected to perform work	223
under the contract, grant, or other economic incentive for each	224
of the major job categories included in the contractor's,	225
person's, or business entity's EEO-1 report if the contractor,	226
person, or business entity is required to file that report. As a	227
part of an audit, the contractor, person, or business entity	228
shall provide all of the following information to the director:	229
(A) Number of male employees;	230
(B) Number of female employees;	231
(C) Average length of service for male employees and for	232
female employees within each major job category;	233
(D) Average annualized salaries paid to male employees and	234
to female employees within each major job category, in the	235
manner most consistent with the compensation system identified	236
by the contractor, person, or business entity under division (A)	237
(7) of section 9.73 of the Revised Code;	238
(E) Performance payments, benefits, or other elements of	238 239
(E) Performance payments, benefits, or other elements of	239
(E) Performance payments, benefits, or other elements of compensation, in the manner most consistent with the	239 240

(F) Other information identified by the director as	244
necessary to determine compliance with division (A) of section	245
9.73 of the Revised Code.	246
Sec. 9.77. (A) Any data on individuals submitted to the	247
director of administrative services under division (A) of	248
section 9.73 of the Revised Code shall be confidential and is	249
not a public record under section 149.43 of the Revised Code.	250
(B) A record of the director's decision to issue, not	251
issue, revoke, or suspend a certificate is a public record.	252
Sec. 9.78. Not later than January 31, 2018, and every two	253
years thereafter, the director of administrative services shall	254
submit a report of the activities of the department of	255
administrative services regarding certificates issued under	256
section 9.73 of the Revised Code to the governor and the general	257
assembly. The report shall contain all of the following	258
<pre>information:</pre>	259
(A) The number of certificates issued;	260
(B) The number of audits conducted under section 9.76 of	261
the Revised Code;	262
(C) The processes contractors for public improvements,	263
persons wishing to provide goods or services to a state agency,	264
or business entities awarded a grant or other economic incentive	265
use to ensure compliance with division (A) of section 9.73 of	266
the Revised Code;	267
(D) A summary of the director's auditing efforts under	268
section 9.76 of the Revised Code.	269
Sec. 9.79. There is hereby created in the state treasury	270
the equal pay certificate fund. The fund shall consist of all	271

certificate filing fees collected by the director of	272
administrative services under division (A) of section 9.73 of	273
the Revised Code. Money in the fund shall be used by the	274
department of administrative services to administer sections	275
9.71 to 9.79 of the Revised Code. Investment earnings of the	276
fund shall be credited to the fund.	277
Sec. 142.01. As used in this chapter:	278
(A) "Balanced class" means any class in which both of the	279
following conditions apply:	280
(1) Not more than eighty per cent of the members are male;	281
(2) Not more than seventy per cent of the members are	282
<pre>female.</pre>	283
(B) "Comparable work value" means the value of work	284
measured by skill, effort, responsibility, and working	285
conditions normally required in the performance of the work.	286
(C) "Class" means one or more positions in public	287
employment that have similar duties, responsibilities, and	288
general qualifications necessary to perform the duties, with	289
comparable selection procedures used to recruit employees, and	290
use of the same compensation schedule.	291
(D) "Equitable compensation relationship" means that the	292
compensation for female-dominated classes is not consistently	293
below the compensation for male-dominated classes of comparable	294
work value, as determined under section 142.04 of the Revised	295
Code, for each public employer.	296
(E) "Exclusive representative" has the same meaning as in	297
section 4117.01 of the Revised Code.	298
(F) "Female-dominated class" means any class in which	299

seventy per cent or more of the members are female.	300
(G) "Male-dominated class" means any class in which eighty	301
per cent or more of the members are male.	302
(H) "Position" means a group of current duties and	303
responsibilities assigned or delegated by a supervisor to an	304
<pre>employee.</pre>	305
(I) "Political subdivision" means a county, township,	306
municipal corporation, or any other body corporate and politic	307
that is responsible for government activities in a geographic	308
area smaller than that of the state.	309
(J) "Public employer" means either of the following:	310
(1) A state agency;	311
(2) A political subdivision.	312
(K) "State agency" means any organized body, office,	313
agency, institution, or other entity established by the laws of	314
the state for the exercise of any function of state government.	315
Sec. 142.02. Subject to Chapter 4117. and sections 4115.03	316
to 4115.21 and 4115.99 of the Revised Code, but notwithstanding	317
any other law to the contrary, every public employer shall	318
establish equitable compensation relationships between female-	319
dominated, male-dominated, and balanced classes of employees to	320
eliminate sex-based wage disparities in public employment in	321
this state. A public employer shall make the comparable work	322
value of a position in relationship to other employee positions	323
a primary consideration in negotiating, establishing,	324
recommending, and approving compensation.	325
Nothing in this chapter limits the ability of the parties	326
to collectively bargain in good faith.	327

Sec. 142.03. (A) The director of administrative services,	328
in establishing the job classification plan and assigning pay	329
ranges pursuant to section 124.14 of the Revised Code, and any	330
other public employer with the authority to determine	331
compensation for the employees of the public employer, shall	332
assure all of the following, as applicable:	333
(1) That compensation for positions in the classified	334
civil service and unclassified civil service bear reasonable	335
relationship to one another;	336
(2) That compensation for positions bears a reasonable	337
relationship to similar positions outside of that particular	338
<pre>public employer;</pre>	339
(3) That compensation for positions within the public	340
employer's workforce bears a reasonable relationship among	341
various classes and among various levels within the same	342
occupation group.	343
(B) For purposes of division (A) of this section,	344
compensation for a position bears a "reasonable relationship" to	345
another position if both of the following conditions are	346
satisfied:	347
(1) Compensation for positions that require comparable	348
skill, effort, responsibility, working conditions, and other	349
relevant work-related criteria is comparable;	350
(2) Compensation for positions that require differing	351
skill, effort, responsibility, working conditions, and other	352
relevant work-related criteria is proportional to the skill,	353
effort, responsibility, working conditions, and other relevant	354
work-related criteria required.	355
Soc 142 04 (A) Every public employer shall establish a	356

job evaluation system and use that system to determine the	357
comparable work value of the work performed by each class of the	358
public employer's employees. A public employer may adopt the job	359
evaluation system established by any other public employer.	360
A public employer shall meet and confer with the exclusive	361
representative of the public employer's employees on the	362
development or selection of a job evaluation system.	363
(B)(1) A public employer shall maintain and update a job	364
evaluation system established by the public employer to account	365
<pre>for both of the following:</pre>	366
(a) New employee classes;	367
(b) Changes in factors affecting the comparable work value	368
of existing classes.	369
(2) A public employer that substantially modifies the	370
<pre>public employer's job evaluation system or adopts a new job_</pre>	371
evaluation system shall notify the director of budget and	372
<pre>management.</pre>	373
Sec. 142.05. Every public employer shall submit a report	374
containing the results of the job evaluation system conducted	375
under section 142.04 of the Revised Code to the exclusive	376
representative selected by the public employer's employees under	377
section 4117.05 of the Revised Code to be used by both parties	378
in negotiations for collective bargaining agreements. The report	379
shall contain the following information:	380
(A) The female-dominated classes of a public employer for	381
which compensation inequity exists, based on the comparable work	382
value;	383
(B) All data not on individuals used to support the	384

findings in division (A) of this section.	385
Sec. 142.06. (A) (1) Each public employer shall submit an	386
implementation report to the director of budget and management	387
that contains all of the following information, as of the	388
thirty-first day of December of the preceding year:	389
(a) A list of all job classes of the public employer;	390
(b) The number of employees in each class listed in	391
division (A)(1)(a) of this section;	392
(c) The number of female employees in each class listed in	393
division (A) (1) (a) of this section;	394
(d) An identification of each class listed in division (A)	395
(1) (a) of this section as male-dominated, female-dominated, or	396
<pre>balanced;</pre>	397
(e) The comparable work value of each class listed in	398
division (A)(1)(a) of this section as determined by the job	399
evaluation system used by the public employer under section	400
142.04 of the Revised Code;	401
(f) The minimum and maximum salary for each class listed	402
in division (A)(1)(a) of this section, if salary ranges have	403
been established, and the amount of time in employment required	404
to qualify for the maximum salary;	405
(g) Any additional cash compensation paid to members of a	406
class listed in division (A) (1) (a) of this section;	407
(h) Any additional information requested by the director.	408
(2) The director shall adopt rules in accordance with	409
Chapter 119. of the Revised Code to establish a schedule to	410
stagger the submission of the implementation reports required by	411

division (A) (1) of this section. Each public employer shall	412
submit a report every three years, with the first set of reports	413
due to the director not later than the thirty-first day of	414
January immediately following the effective date of this	415
section.	416
(B) A state agency that fails to submit an implementation	417
report is subject to the penalty described in section 142.07 of	418
the Revised Code.	419
Sec. 142.07. (A) The director of budget and management	420
shall review the implementation reports the director receives	421
under section 142.06 of the Revised Code to determine whether a	422
public employer has established equitable compensation	423
relationships as required under section 142.02 of the Revised	424
Code. The director shall notify a public employer in writing if	425
the director determines that the public employer has complied	426
with the requirement of that section.	427
(B) If the director finds that a public employer did not	428
comply with that section, the director shall issue a statement	429
to the public employer in writing containing the following	430
<pre>information:</pre>	431
(1) A detailed description of the basis of the finding of	432
<pre>noncompliance;</pre>	433
(2) Specific recommended actions the public employer is	434
required to take to comply with that section;	435
(3) An estimate of the cost to the public employer to	436
comply with that section.	437
(C) (1) A public employer shall notify the director in	438
writing of a disagreement with a finding of the director under	439
division (B) of this section. The director shall provide the	440

public employer a specified time period in which to submit	441
additional evidence to support the employer's claim of	442
compliance with the requirements of section 142.02 of the	443
Revised Code. That evidence may include any of the following:	444
(a) Recruitment difficulties;	445
(b) Retention difficulties;	446
(c) Recent conciliation awards made under section 4117.14	447
of the Revised Code that are inconsistent with equitable	448
compensation relationships under section 142.02 of the Revised	449
Code;	450
(d) Information that demonstrates that the employer made a	451
good faith effort to comply with section 142.02 of the Revised_	452
Code, including constraints faced by the employer;	453
(e) A plan for the employer to comply with that section.	454
(2) The public employer shall specify with the evidence a	455
date for additional review by the director.	456
(D)(1) If a state agency does not make changes to comply	457
with the requirements of section 142.02 of the Revised Code	458
within a reasonable time period established by the director, the	459
director shall assess a fine of one hundred dollars for each day	460
the state agency remains noncompliant. The penalty remains in	461
effect until the state agency demonstrates that the state agency	462
has complied with section 142.02 of the Revised Code.	463
(2) The director may suspend the penalty imposed on a	464
state agency under division (D)(1) of this section for any of	465
the following reasons:	466
(a) The state agency's failure to comply was attributable	467
to circumstances beyond the control of the state agency.	468

(b) The state agency's failure to comply was attributable	469
to severe hardship of the state agency.	470
(c) The noncompliance is a result of factors unrelated to	471
the sex of the members of the affected classes, and the state	472
agency is taking steps to comply with the requirements of	473
section 142.02 of the Revised Code to the extent possible.	474
(E) A state agency may appeal a penalty imposed under	475
division (D)(1) of this section to the director within thirty	476
days after the director assesses the penalty. The director shall	477
not impose the penalty on a state agency while an appeal is	478
pending.	479
Sec. 142.08. On or before the first day of January	480
immediately following the effective date of this section, and on	481
or before the first day of January thereafter, the director of	482
budget and management shall submit a report on the status of	483
compliance of public employers with section 142.02 of the	484
Revised Code to the general assembly. The report shall contain	485
all of the following information:	486
(A) A list of the public employers in compliance with the	487
requirements of section 142.02 of the Revised Code;	488
(B) The estimated cost of each public employer to be	489
<pre>compliant with those requirements;</pre>	490
(C) A list of the public employers the director found to	491
be not in compliance with section 142.02 of the Revised Code;	492
(D) The basis for the director's finding in division (C)	493
of this section;	494
(E) The list of recommended changes the public employers	495
listed in division (C) of this section must make to comply with	496

section 142.02 of the Revised Code;	497
(F) The estimated cost for each public employer to become	498
compliant with section 142.02 of the Revised Code;	499
(G) A list of the public employers who did not comply with	500
the reporting requirements in section 142.07 of the Revised	501
<pre>Code;</pre>	502
(H) Any additional information the director determines the	503
general assembly needs to know from a public employer.	504
Sec. 142.09. Notwithstanding division (A) of section	505
4117.11 of the Revised Code, it is not an unfair labor practice	506
for a public employer to specify an amount of funds to be used	507
solely to correct inequitable compensation relationships.	508
This chapter does not diminish the duty of a public	509
employer to bargain in good faith under Chapter 4117. of the	510
Revised Code.	511
Sec. 142.10. The Ohio civil rights commission or any court	512
of this state may use either of the following as evidence in any	513
proceeding or action alleging that an unlawful discriminatory	514
practice, as defined in section 4112.01 of the Revised Code, has	515
been committed:	516
(A) The results of any job evaluation system established	517
under section 142.04 of the Revised Code;	518
(B) A report compiled by a public employer under section	519
142.05 of the Revised Code.	520
Sec. 4113.42. (A) As used in this section, "employee" and	521
"employer" have the same meanings as in section 4113.51 of the	522
Revised Code.	523

(B) No employer shall discharge or otherwise retaliate	524
against an employee because the employee has discussed the	525
employee's salary or wage rate with another employee.	526
Sec. 4117.08. (A) All matters pertaining to wages, hours,	527
or terms and other conditions of employment and the	528
continuation, modification, or deletion of an existing provision	529
of a collective bargaining agreement are subject to collective	530
bargaining between the public employer and the exclusive	531
representative, except as otherwise specified in this section	532
and division (E) of section 4117.03 of the Revised Code.	533
(B) The conduct and grading of civil service examinations,	534
the rating of candidates, the establishment of eligible lists	535
from the examinations, and the original appointments from the	536
eligible lists are not appropriate subjects for collective	537
bargaining.	538
(C) Unless a public employer agrees otherwise in a	539
collective bargaining agreement, nothing in Chapter 4117. of the	540
Revised Code impairs the right and responsibility of each public	541
employer to:	542
(1) Determine matters of inherent managerial policy which	543
include, but are not limited to $_{\!\scriptscriptstyle L}$ areas of discretion or policy	544
such as the functions and programs of the public employer,	545
standards of services, its overall budget, utilization of	546
technology, and organizational structure;	547
(2) Direct, supervise, evaluate, or hire employees;	548
(3) Maintain and improve the efficiency and effectiveness	549
of governmental operations;	550
(4) Determine the overall methods, process, means, or	551
personnel by which governmental operations are to be conducted;	552

(5) Suspend, discipline, demote, or discharge for just	553
cause, or lay off, transfer, assign, schedule, promote, or	554
retain employees;	555
(6) Determine the adequacy of the work force;	556
(7) Determine the overall mission of the employer as a	557
unit of government;	558
(8) Effectively manage the work force;	559
(9) Take actions to carry out the mission of the public	560
employer as a governmental unit.	561
The employer is not required to bargain on subjects	562
reserved to the management and direction of the governmental	563
unit except as affect wages, hours, terms and conditions of	564
employment, and the continuation, modification, or deletion of	565
an existing provision of a collective bargaining agreement. A	566
public employee or exclusive representative may raise a	567
legitimate complaint or file a grievance based on the collective	568
bargaining agreement.	569
(D)(1) A public employer shall assure that all of the	570
following occur in preparation for negotiating a collective	571
<pre>bargaining agreement, if applicable:</pre>	572
(a) That compensation for positions in the classified	573
civil service and unclassified civil service bear reasonable	574
relationship to one another;	575
(b) That compensation for positions bears a reasonable	576
relationship to similar positions outside of that particular	577
<pre>public employer;</pre>	578
(c) That compensation for positions within the public	579
employer's workforce bears a reasonable relationship among	580

various classes and among various levels within the same	581
occupation group.	582
(2) As used in division (D)(1) of this section,	583
"reasonable relationship" has the same meaning as in section	584
142.03 of the Revised Code.	585
Sec. 4117.141. (A) As used in this section, "balanced	586
class" has the same meaning as in section 142.01 of the Revised	587
Code.	588
(B) A fact-finding panel or a conciliator appointed under	589
section 4117.14 of the Revised Code shall consider all of the	590
following in any settlement of a dispute involving a class other	591
than a balanced class under Chapter 142. of the Revised Code:	592
(a) The equitable compensation relationship standards	593
established in section 142.02 of the Revised Code;	594
(b) The reasonable compensation relationships established	595
under section 142.03 of the Revised Code;	596
(c) The results of a job evaluation system conducted under	597
section 142.04 of the Revised Code;	598
(d) Any employee objections to the job evaluation system.	599
(B) In settlements of disputes involving a balanced class,	600
the fact-finding panel or conciliator shall consider similar	601
classifications of other public employers. The fact-finding	602
panel or conciliator also may consider the standards established	603
under section 142.02 of the Revised Code and the results of, and	604
any employee objections to, a job evaluation system conducted	605
under section 142.04 of the Revised Code.	606
(C) In collective bargaining involving a balanced class,	607
the parties shall consider similar classifications of other	608

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public employers. The parties also may consider the equitable	609
compensation relationship standards established under section	610
142.02 of the Revised Code and the results of a job evaluation	611
system conducted under section 142.04 of the Revised Code.	612
Section 2. That existing section 4117.08 of the Revised	613
Code is hereby repealed.	614