

As Reported by the House Local Government Committee

131st General Assembly

Regular Session

2015-2016

Am. H. B. No. 5

**Representatives Kunze, Koehler
Cosponsors: Representatives Rogers, Boose, Hambley**

A BILL

To amend section 117.47 and to enact sections 1
117.473, 117.48, 2743.31, and 2744.11 of the 2
Revised Code to allow the Auditor of State to 3
conduct business case studies regarding the 4
efficiency of local public offices and state 5
agencies, to authorize the Auditor of State to 6
establish a shared equipment service agreement 7
program among state agencies and political 8
subdivisions, and to specify that a state agency 9
or political subdivision that uses the loaned 10
equipment may assume potential liability for its 11
use. 12

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

Section 1. That section 117.47 be amended and sections 13
117.473, 117.48, 2743.31, and 2744.11 of the Revised Code be 14
enacted to read as follows: 15

Sec. 117.47. There is hereby created in the state treasury 16
the leverage for efficiency, accountability, and performance 17
fund. The auditor of state shall use the fund to ~~make~~do the 18
following: 19

(A) Make loans to state agencies and local public offices 20
that have applied to and been approved by the auditor of state 21
to receive the loans and to pay the costs of conducting 22
performance audits incurred by the auditor of state. ~~The~~; and 23

(B) Pay the costs of conducting business case studies for 24
state agencies or local public offices to achieve greater 25
efficiency. 26

The fund shall consist of money appropriated to it plus 27
the repayments of principal and interest on loans made from the 28
fund. Interest earned on money in the fund shall be credited to 29
the fund. 30

During a fiscal year, the auditor of state shall use not 31
more than fifty per cent of the fund to satisfy the requirement 32
under division (A) of this section and not more than fifty per 33
cent to satisfy the requirement under division (B) of this 34
section. 35

Sec. 117.473. A state agency or local public office may 36
request that the auditor of state conduct a business case study 37
to determine how the state agency or local public office may 38
achieve greater efficiency. 39

The team that conducts performance audits shall conduct 40
the business case studies at its discretion and as funds allow. 41
The auditor of state shall pay the costs it incurs by conducting 42
business case studies under this section and section 117.47 of 43
the Revised Code. 44

Not later than one hundred eighty days after completing a 45
business case study, the auditor of state shall conduct a public 46
hearing on the business case study findings. Not later than ten 47
days before the date of the public hearing, the auditor shall 48

give notice of the date, time, and location of the public 49
hearing in writing to each state agency or local public office 50
included in the business case study and on the auditor's web 51
site. 52

Before commencing a business case study, the auditor of 53
state shall notify each state agency or local public office that 54
will be reviewed, in whole or in part, for purposes of the 55
business case study. 56

Sec. 117.48. (A) As used in this section, "governmental 57
function," "political subdivision," and "proprietary function" 58
have the meanings defined in section 2744.01 of the Revised 59
Code. 60

(B) The auditor of state may establish a shared equipment 61
service agreement program under which a state agency or 62
political subdivision may enter into an agreement with another 63
state agency or political subdivision that provides for the 64
contracting lender state agency or political subdivision to lend 65
its capital equipment to the contracting recipient state agency 66
or political subdivision for the temporary use by the recipient 67
state agency or political subdivision in the performance of a 68
governmental function or proprietary function of the recipient 69
state agency or political subdivision. 70

(C) Sections 2743.31 and 2744.11 of the Revised Code apply 71
if the auditor of state establishes a shared equipment service 72
agreement program under division (B) of this section. 73

Sec. 2743.31. (A) As used in this section: 74

"Governmental function," "political subdivision," and 75
"proprietary function" have the meanings defined in section 76
2744.01 of the Revised Code. 77

"State agency" has the same meaning as "state" as it is 78
defined in section 2743.01 of the Revised Code. 79

(B) If, under a shared equipment service agreement program 80
established by the auditor of state under section 117.48 of the 81
Revised Code, an agreement is entered into by a contracting 82
lender state agency or political subdivision to lend its capital 83
equipment to a contracting recipient state agency for the 84
temporary use by the recipient state agency in the performance 85
of a governmental or proprietary function, the agreement may 86
provide that the recipient state agency and its officers and 87
employees, as the case may be, assume any potential liability 88
under this chapter in a civil action for damages for injury, 89
death, or loss to person or property allegedly caused by an act 90
or omission of the recipient state agency or its officers or 91
employees resulting from the use of the equipment in the 92
performance of the recipient state agency's governmental or 93
proprietary functions. This assumption of liability applies 94
insofar as the recipient state agency under the agreement or any 95
of its officers or employees is engaged in the use of the 96
equipment covered by the agreement in the performance of a 97
governmental or proprietary function. 98

Sec. 2744.11. If, under a shared equipment service 99
agreement program established by the auditor of state under 100
section 117.48 of the Revised Code, an agreement is entered into 101
by a contracting lender state agency or political subdivision to 102
lend its capital equipment to a contracting recipient political 103
subdivision for the temporary use by the recipient political 104
subdivision in the performance of a governmental or proprietary 105
function, the agreement may provide that the recipient political 106
subdivision and its officers and employees, as the case may be, 107
assume any potential liability under this chapter in a civil 108

action for damages for injury, death, or loss to person or 109
property allegedly caused by an act or omission of the recipient 110
political subdivision or its officers or employees resulting 111
from the use of the equipment in the performance of the 112
recipient political subdivision's governmental or proprietary 113
functions. This chapter applies insofar as the recipient 114
political subdivision under the agreement or any of its officers 115
or employees is engaged in the use of the equipment covered by 116
the agreement in the performance of a governmental or 117
proprietary function. 118

Section 2. That existing section 117.47 of the Revised 119
Code is hereby repealed. 120