As Passed by the House

133rd General Assembly

Regular Session 2019-2020

Sub. S. B. No. 1

Senators McColley, Roegner

Cosponsors: Senators Obhof, Brenner, Coley, Hackett, Hoagland, Hottinger, Huffman, S., Huffman, M., Lehner, Rulli, Peterson, Wilson, Terhar, Gavarone, Manning, Schaffer, Schuring, Uecker Representatives Wiggam, Becker, Hambley, Smith, T., Baldridge, Cross, Ghanbari, Green, Holmes, A., Jones, LaRe, McClain, Merrin, Plummer, Powell, Roemer, Seitz, Stein, Stoltzfus, Wilkin

A BILL

| То | amend sections 101.35, 106.021, 106.03, 106.031, | 1 |
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| | 121.95, and 3701.13 and to enact sections | 2 |
| | 101.354, 101.355, 101.36, 107.57, 121.031, | 3 |
| | 121.951, 121.952, and 121.953 of the Revised | 4 |
| | Code to require certain agencies to reduce the | 5 |
| | number of regulatory restrictions in their | 6 |
| | administrative rules, to require the approval of | 7 |
| | the Joint Committee on Agency Rule Review for | 8 |
| | Department of Health orders to be effective for | 9 |
| | more than fourteen days, and to modify the | 10 |
| | Department's rulemaking authority. | 11 |

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

| Section 1. That sections 101.35, 106.021, 106.03, 106.031, | 12 |
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| 121.95, and 3701.13 be amended and sections 101.354, 101.355, | 13 |
| 101.36, 107.57, 121.031, 121.951, 121.952, and 121.953 of the | 14 |
| Revised Code be enacted to read as follows: | 15 |

| Sec. 101.35. There is hereby created in the general | 16 |
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| assembly the joint committee on agency rule review. The | 17 |
| committee shall consist of five members of the house of | 18 |
| representatives and five members of the senate. Within fifteen | 19 |
| days after the commencement of the first regular session of each | 20 |
| general assembly, the speaker of the house of representatives | 21 |
| shall appoint the members of the committee from the house of | 22 |
| representatives, and the president of the senate shall appoint | 23 |
| the members of the committee from the senate. Not more than | 24 |
| three of the members from each house shall be of the same | 25 |
| political party. In the first regular session of a general | 26 |
| assembly, the chairperson of the committee shall be appointed by | 27 |
| the speaker of the house from among the house members of the | 28 |
| committee, and the vice-chairperson shall be appointed by the | 29 |
| president of the senate from among the senate members of the | 30 |
| committee. In the second regular session of a general assembly, | 31 |
| the chairperson shall be appointed by the president of the | 32 |
| senate from among the senate members of the committee, and the | 33 |
| vice-chairperson shall be appointed by the speaker of the house | 34 |
| from among the house members of the committee. The chairperson, | 35 |
| vice-chairperson, and members of the committee shall serve until | 36 |
| their respective successors are appointed or until they are no | 37 |
| longer members of the general assembly. When a vacancy occurs | 38 |
| among the officers or members of the committee, it shall be | 39 |
| filled in the same manner as the original appointment. | 40 |
| Notwithstanding section 101 26 of the Revised Code, the | 41 |

Notwithstanding section 101.26 of the Revised Code, the

members, when engaged in their duties as members of the

committee on days when there is not a voting session of the

member's house of the general assembly, shall be paid at the per

diem rate of one hundred fifty dollars, and their necessary

traveling expenses, which shall be paid from the funds

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7.3

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| ${\tt appropriated}$ | for | the | payment | of | expenses | of | legislative | 47 |
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| committees. | | | | | | | | 48 |

The Except as otherwise provided in section 101.36 of the Revised Code, the committee has the same powers as other standing or select committees of the general assembly. Six members constitute a quorum. The concurrence of six members is required for the recommendation of a concurrent resolution invalidating a proposed rule under section 106.021 of the Revised Code. The concurrence of seven members is required for the recommendation of a concurrent resolution invalidating an existing rule under section 106.031 of the Revised Code.

When a member of the committee is absent, the president or speaker, as the case may be, may designate a substitute from the same house and political party as the absent member. The substitute shall serve on the committee in the member's absence, and is entitled to perform the duties of a member of the committee. For serving on the committee, the substitute shall be paid the same per diem and necessary traveling expenses as the substitute would be entitled to receive if the substitute were a member of the committee.

The president or speaker shall inform the executive director of the committee of a substitution. If the executive director learns of a substitution sufficiently in advance of the meeting of the committee the substitute is to attend, the executive director shall publish notice of the substitution on the internet, make reasonable effort to inform of the substitution persons who are known to the executive director to be interested in rules that are scheduled for review at the meeting, and inform of the substitution persons who inquire of the executive director concerning the meeting.

| The committee may meet during periods in which the general | 77 |
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| assembly has adjourned. | 78 |
| At meetings of the committee, the committee may request an | 79 |
| agency, as defined in section 106.01 of the Revised Code, to | 80 |
| provide information relative to the agency's implementation of | 81 |
| its statutory authority. | 82 |
| A member of the committee, and the executive director and | 83 |
| staff of the committee, are entitled in their official | 84 |
| capacities to attend, but not in their official capacities to | 85 |
| participate in, a public hearing conducted by an agency on a | 86 |
| proposed rule. | 87 |
| The executive director serves at the pleasure of the | 88 |
| president and speaker by mutual consensus. The executive | 89 |
| director may employ such technical, professional, and clerical | 90 |
| employees as are necessary to carry out the powers and | 91 |
| administrative duties of the committee. | 92 |
| Sec. 101.354. (A) The joint committee on agency rule | 93 |
| review shall advise and assist state agencies in preparing base | 94 |
| and revised inventories of regulatory restrictions and shall | 95 |
| advise and assist state agencies in achieving specified | 96 |
| percentage reductions in regulatory restrictions in the | 97 |
| Administrative Code in accordance with sections 121.95, 121.951, | 98 |
| 121.952, and 121.953 of the Revised Code. | 99 |
| (B) Beginning in 2020, not later than the fifteenth day of | 100 |
| June of each year, the executive director of the joint committee | 101 |
| shall prepare an historical report aggregating the reports | 102 |
| received from state agencies for the preceding year. In the | 103 |
| report, the executive director also shall describe the work of | 104 |
| the joint committee over the preceding year with respect to | 105 |

| reduction of regulatory restrictions and shall indicate, out of | 106 |
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| the total number of regulatory restrictions inventoried by state | 107 |
| agencies, the percentage by which state agencies have reduced | 108 |
| those regulatory restrictions. The report also shall provide | 109 |
| recommendations for statutory changes, where appropriate, | 110 |
| brought to the attention of the joint committee as contributing | 111 |
| to the adoption of regulatory restrictions. The executive | 112 |
| director shall submit the report to the members of the joint | 113 |
| committee, which shall publish the report on its web site and | 114 |
| transmit copies of the report electronically to the speaker of | 115 |
| the house of representatives and the president of the senate. | 116 |
| Sec. 101.355. The joint committee on agency rule review, | 117 |
| in consultation with legislative information systems, shall do | 118 |
| both of the following: | 119 |
| (A) Create and maintain a system that state agencies shall | 120 |
| use to enter regulatory restriction data, create required | 121 |
| inventories, and transmit copies of inventories, reports, and | 122 |
| any other documents to the joint committee and the speaker of | 123 |
| the house of representatives and the president of the senate | 124 |
| under sections 121.95, 121.951, and 121.953 of the Revised Code, | 125 |
| and that will assist the joint committee in aggregating reports | 126 |
| and performing other prescribed duties under sections 101.354, | 127 |
| 121.95, 121.951, 121.952, and 121.953 of the Revised Code; | 128 |
| (B) Establish, maintain, and improve the cut red tape | 129 |
| system, which shall include a web site and shall allow members | 130 |
| of the public to request information about regulatory | 131 |
| restrictions and to communicate with the joint committee about | 132 |
| regulatory restrictions. | 133 |
| Sec. 101.36. (A) The director of health may apply to the | 134 |
| joint committee on agency rule review to approve the extension | 135 |

| of an order beyond the fourteen-day period described in section | 136 |
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| 3701.13 of the Revised Code. | 137 |
| (B) Notwithstanding any contrary provision of section | 138 |
| 101.35 of the Revised Code, a majority vote of the joint | 139 |
| committee, including the affirmative vote of at least three | 140 |
| members of the house of representatives and at least three | 141 |
| members of the senate, is required to approve the extension of | 142 |
| an order under this section. The joint committee shall determine | 143 |
| the period of the extension, if any. | 144 |
| (C) Any citizen of this state shall have standing to seek | 145 |
| a court order that the director of health comply with this | 146 |
| section or division (C) of section 3701.13 of the Revised Code. | 147 |
| Such a citizen shall not be required to prove that irreparable | 148 |
| harm will result if the court does not issue the order. | 149 |
| Sec. 106.021. If, upon reviewing a proposed rule or | 150 |
| revised proposed rule, the joint committee on agency rule review | 151 |
| makes any of the following findings with regard to the proposed | 152 |
| rule or revised proposed rule, the joint committee may recommend | 153 |
| to the senate and house of representatives the adoption of a | 154 |
| concurrent resolution to invalidate the proposed rule or revised | 155 |
| proposed rule or a part thereof: | 156 |
| (A) The proposed rule or revised proposed rule exceeds the | 157 |
| scope of its statutory authority. | 158 |
| (B) The proposed rule or revised proposed rule conflicts | 159 |
| with the legislative intent of the statute under which it was | 160 |
| proposed. | 161 |
| (C) The proposed rule or revised proposed rule conflicts | 162 |
| with another proposed or existing rule. | 163 |
| (D) The proposed rule or revised proposed rule | 164 |

| incorporates a text or other material by reference and: | 165 |
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| (1) The accompanying citation is not such as reasonably | 166 |
| would enable a reasonable person to whom the proposed rule or | 167 |
| revised proposed rule applies readily and without charge to find | 168 |
| and inspect the incorporated text or other material; | 169 |
| (2) The accompanying citation is not such as reasonably | 170 |
| would enable the joint committee readily and without charge to | 171 |
| find and inspect the incorporated text or other material, and | 172 |
| the agency did not file or otherwise make the incorporated text | 173 |
| or other material available without charge to the joint | 174 |
| committee; or | 175 |
| (3) The agency has treated the proposed rule or revised | 176 |
| proposed rule in whole or in part as exempt from sections 121.71 | 177 |
| to 121.74 of the Revised Code on grounds the incorporated text | 178 |
| or other material has one or more of the characteristics | 179 |
| described in division (B) of section 121.75 of the Revised Code, | 180 |
| but the incorporated text or other material actually does not | 181 |
| have any of those characteristics. | 182 |
| (E) The agency has failed to prepare a complete and | 183 |
| accurate rule summary and fiscal analysis of the proposed rule | 184 |
| or revised proposed rule as required by section 106.024 of the | 185 |
| Revised Code. | 186 |
| (F) The agency has failed to demonstrate through the | 187 |
| business impact analysis, recommendations from the common sense | 188 |
| initiative office, and the memorandum of response that the | 189 |
| regulatory intent of the proposed rule or revised proposed rule | 190 |
| justifies its adverse impact on businesses in this state. | 191 |
| (G) The agency has failed to justify the proposed | 192 |
| adoption, amendment, or rescission of a rule containing a | 193 |

| regulatory restriction. | 194 |
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| Sec. 106.03. Prior to the review date of an existing rule, | 195 |
| the agency that adopted the rule shall do both of the following: | 196 |
| (A) Review the rule to determine all whether the rule | 197 |
| should be amended or rescinded, including for the purpose of | 198 |
| accomplishing the reductions in regulatory restrictions required | 199 |
| by section 121.951 of the Revised Code, because it does any of | 200 |
| the following, or otherwise for the purpose of reducing | 201 |
| regulatory restrictions: | 202 |
| (1) Whether the rule should be continued without | 203 |
| amendment, be amended, or be rescinded, taking into | 204 |
| consideration Exceeds or conflicts with the purpose, scope, and | 205 |
| or intent of the statute under which the rule was adopted; | 206 |
| (2) Whether the rule needs amendment or rescission to give- | 207 |
| <pre>more Provides inadequate flexibility at the local level;</pre> | 208 |
| (3) -Whether the rule needs amendment or rescission to- | 209 |
| eliminate unnecessary paperwork Creates a compliance or | 210 |
| oversight burden for the state agency, or for any person or | 211 |
| entity, that is greater than the burden that would be created if | 212 |
| the agency accomplished the intended purpose of the restriction | 213 |
| <pre>by other means;</pre> | 214 |
| (4) Whether the rule incorporates Is no longer useful or | 215 |
| <pre>beneficial;</pre> | 216 |
| (5) Incorporates a text or other material by reference | 217 |
| and, if so: | 218 |
| (a) Whether the The citation accompanying the | 219 |
| incorporation by reference is such as reasonably would <u>not</u> | 220 |
| <u>reasonably</u> enable a reasonable person to whom the rule applies | 221 |

| under section 107.52 of the Revised Code; | 251 |
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| (7) Whether the rule contains (8) Has an adverse impact on | 252 |
| any other person or entity; | 253 |
| (9) Contains words or phrases having meanings that in | 254 |
| contemporary usage are understood as being derogatory or | 255 |
| offensive; - and | 256 |
| (8) Whether the rule requires (10) Requires liability | 257 |
| insurance, a bond, or any other financial responsibility | 258 |
| instrument as a condition of licensure; | 259 |
| (11) Imposes a more severe duty or liability than | 260 |
| restrictions in neighboring states in order to accomplish the | 261 |
| same goal. | 262 |
| In making its review, the agency shall consider the | 263 |
| continued need for the rule, the nature of any complaints or | 264 |
| comments received concerning the rule, and any relevant factors | 265 |
| that have changed in the subject matter area affected by the | 266 |
| rule. | 267 |
| (B) On the basis of its review of the existing rule, the | 268 |
| agency shall determine whether the existing rule needs to be | 269 |
| amended or rescinded. | 270 |
| (1) If the existing rule needs to be amended or rescinded, | 271 |
| the agency, on or before the review date of the existing rule, | 272 |
| shall commence the process of amending or rescinding the | 273 |
| existing rule in accordance with its review of the rule. | 274 |
| (2) If the existing rule does not need to be amended or | 275 |
| rescinded, proceedings shall be had under section 106.031 of the | 276 |
| Revised Code. | 277 |
| Upon the request of the agency that adopted an existing | 278 |

| rule, the joint committee on agency rule review may extend the | 279 |
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| review date of the rule to a date that is not later than one | 280 |
| hundred eighty days after the review date assigned to the rule | 281 |
| by the agency. Not more than two such extensions may be allowed. | 282 |
| Sec. 106.031. If an agency, on the basis of its review of | 283 |
| a rule under section 106.03 of the Revised Code, determines that | 284 |
| the rule does not need to be amended or rescinded, proceedings | 285 |
| shall be had as follows: | 286 |
| (A)(1) If, considering only the standard of review | 287 |
| specified in division (A) $\frac{(6)}{(7)}$ of section 106.03 of the | 288 |
| Revised Code, the rule has an adverse impact on businesses, the | 289 |
| agency shall prepare a business impact analysis that describes | 290 |
| its review of the rule under that division and that explains why | 291 |
| the regulatory intent of the rule justifies its adverse impact | 292 |
| on businesses. If the rule does not have an adverse impact on | 293 |
| businesses, the agency may proceed under division (B) of this | 294 |
| section. | 295 |
| (2) The agency shall transmit a copy of the full text of | 296 |
| the rule and the business impact analysis electronically to the | 297 |
| common sense initiative office. The office shall make the rule | 298 |
| and analysis available to the public on its web site under | 299 |
| section 107.62 of the Revised Code. | 300 |
| (3) The agency shall consider any recommendations made by | 301 |
| the office. | 302 |
| (4) Not earlier than the sixteenth business day after | 303 |
| transmitting the rule and analysis to the office, the agency | 304 |
| shall either (a) proceed under divisions (A)(5) and (B) of this | 305 |
| section or (b) commence, under division (B)(1) of section 106.03 | 306 |

of the Revised Code, the process of rescinding the rule or of

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| amending the rule to incorporate into the rule features the | 308 |
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| recommendations suggest will eliminate or reduce the adverse | 309 |
| impact the rule has on businesses. If the agency determines to | 310 |
| amend or rescind the rule, the agency is not subject to the time | 311 |
| limit specified in division (B)(1) of section 106.03 of the | 312 |
| Revised Code. | 313 |
| (5) If the agency receives recommendations from the | 314 |
| office, and determines not to amend or rescind the rule, the | 315 |
| agency shall prepare a memorandum of response that explains why | 316 |
| the rule is not being rescinded or why the recommendations are | 317 |
| not being incorporated into the rule. | 318 |
| (B) The agency shall assign a new review date to the rule. | 319 |
| The review date assigned shall be not later than five years | 320 |
| after the immediately preceding review date pertaining to the | 321 |
| rule. If the agency assigns a review date that exceeds the five- | 322 |
| year maximum, the review date is five years after the | 323 |
| immediately preceding review date. The immediately preceding | 324 |
| review date includes the date of the review of a rule under | 325 |
| section 106.032 of the Revised Code. | 326 |
| (C)(1) The agency shall file all the following, in | 327 |
| electronic form, with the joint committee on agency rule review, | 328 |
| the secretary of state, and the director of the legislative | 329 |
| service commission: a copy of the rule specifying its new review | 330 |
| date, a complete and accurate rule summary and fiscal analysis, | 331 |
| and, if relevant, a business impact analysis of the rule, any | 332 |
| recommendations received from the common sense initiative | 333 |
| office, and any memorandum of response. | 334 |
| (2) Subject to section 106.05 of the Revised Code, the | 335 |

joint committee does not have jurisdiction to review, and shall

reject, the filing of a rule under division (C)(1) of this

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| section if, at any time while the rule is in its possession, it | 338 |
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| discovers that the rule has an adverse impact on businesses and | 339 |
| the agency has not complied with division (A) of this section. | 340 |
| The joint committee shall electronically return a rule that is | 341 |
| rejected to the agency, together with any documents that were | 342 |
| part of the filing. Such a rejection does not preclude the | 343 |
| agency from refiling the rule under division (C)(1) of this | 344 |
| section after complying with division (A) of this section. When | 345 |
| the filing of a rule is rejected under this division, it is as | 346 |
| if the filing had not been made. | 347 |

- (D) The joint committee shall publish notice of the 348 agency's determination not to amend or rescind the rule in the 349 register of Ohio for four consecutive weeks after the rule is 350 filed under division (C) of this section. 351
- (E) During the ninety-day period after a rule is filed 352 under division (C) of this section, but after the four-week 353 notice period required by division (D) of this section has 354 ended, the joint committee may recommend to the senate and house 355 of representatives the adoption of a concurrent resolution 356 invalidating the rule if the joint committee finds any of the 357 following:
- (1) The agency improperly applied the standards in division (A) of section 106.03 of the Revised Code in reviewing the rule and in determining that the rule did not need amendment or rescission.
- (2) The rule has an adverse impact on businesses, and the 363 agency has failed to demonstrate through a business impact 364 analysis, recommendations from the common sense initiative 365 office, and a memorandum of response that the regulatory intent 366 of the rule justifies its adverse impact on businesses. 367

| (3) If the rule incorporates a text or other material by | 368 |
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| reference, any of the following applies: | 369 |
| (a) The citation accompanying the incorporation by | 370 |
| reference is not such as reasonably would enable a reasonable | 371 |
| person to whom the rule applies readily and without charge to | 372 |
| find and inspect the incorporated text or other material; | 373 |
| (b) The citation accompanying the incorporation by | 374 |
| reference is not such as reasonably would enable the joint | 375 |
| committee readily and without charge to find and inspect the | 376 |
| incorporated text or other material; or | 377 |
| (c) The rule has been exempted in whole or in part from | 378 |
| sections 121.71 to 121.74 of the Revised Code on grounds the | 379 |
| incorporated text or other material has one or more of the | 380 |
| characteristics described in division (B) of section 121.75 of | 381 |
| the Revised Code, but the incorporated text or other material | 382 |
| actually does not have any of those characteristics. | 383 |
| (4) The agency has failed to justify the retention of a | 384 |
| rule containing a regulatory restriction. | 385 |
| If the agency fails to comply with section 106.03 or | 386 |
| 106.031 of the Revised Code, the joint committee shall afford | 387 |
| the agency an opportunity to appear before the joint committee | 388 |
| to show cause why the agency has not complied with either or | 389 |
| both of those sections. If the agency appears before the joint | 390 |
| committee at the time scheduled for the agency to show cause, | 391 |
| and fails to do so, the joint committee, by vote of a majority | 392 |
| of its members present, may recommend the adoption of a | 393 |
| concurrent resolution invalidating the rule for the agency's | 394 |
| failure to show cause. Or if the agency fails to appear before | 395 |

the joint committee at the time scheduled for the agency to show

| cause, the joint committee, by vote of a majority of its members | 397 |
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| present, may recommend adoption of a concurrent resolution | 398 |
| invalidating the rule for the agency's default. | 399 |
| When the joint committee recommends that a rule be | 400 |
| invalidated, the recommendation does not suspend operation of | 401 |
| the rule, and the rule remains operational pending action by the | 402 |
| senate and house of representatives on the concurrent resolution | 403 |
| embodying the recommendation. If the senate and house of | 404 |
| representatives adopt the concurrent resolution, the rule is | 405 |
| invalid. If, however, the senate and house of representatives do | 406 |
| not adopt the resolution, the rule continues in effect, and | 407 |
| shall next be reviewed according to the new review date assigned | 408 |
| to the rule. | 409 |
| Sec. 107.57. (A) In the course of evaluating draft rules | 410 |
| and business impact analyses under sections 107.51 to 107.55 of | 411 |
| the Revised Code, or at any other time, the common sense | 412 |
| initiative office may review any rules containing regulatory | 413 |
| restrictions that a state agency is required to include in its | 414 |
| inventory of regulatory restrictions under section 121.95 of the | 415 |
| Revised Code. If the common sense initiative office determines, | 416 |
| based on the criteria described in division (A) of section | 417 |
| 106.03 of the Revised Code, that a state agency should eliminate | 418 |
| a regulatory restriction, the common sense initiative office | 419 |
| shall notify the state agency that it is required to eliminate | 420 |
| that regulatory restriction, and the state agency shall | 421 |
| eliminate it. | 422 |
| (B) If a state agency objects to the elimination of a | 423 |
| regulatory restriction that the common sense initiative office | 424 |
| has determined should be eliminated under division (A) of this | 425 |
| section, the state agency may appeal that decision to the joint | 426 |

| committee on agency rule review. If the joint committee also | 427 |
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| determines, based on the criteria described in division (A) of | 428 |
| section 106.03 of the Revised Code, that the state agency should | 429 |
| eliminate the regulatory restriction, the state agency shall | 430 |
| <pre>eliminate it.</pre> | 431 |
| (C) As used in this section, "state agency" has the same | 432 |
| meaning as in section 121.95 of the Revised Code. | 433 |
| Sec. 121.031. The administrative department head of an | 434 |
| administrative department created under section 121.02 of the | 435 |
| Revised Code or an administrative department head appointed | 436 |
| under section 121.03 of the Revised Code may direct an otherwise | 437 |
| independent official or state agency that is organized under the | 438 |
| administrative department or administrative department head as | 439 |
| necessary to achieve reductions in regulatory restrictions in | 440 |
| rules in compliance with sections 121.95, 121.951, 121.952, and | 441 |
| 121.953 of the Revised Code. | 442 |
| Sec. 121.95. (A) As used in this sections 121.95, | 443 |
| 121.951, 121.952, and 121.953 of the Revised Code, "state | 444 |
| agency" means an administrative department created under section | 445 |
| 121.02 of the Revised Code, an administrative department head | 446 |
| appointed under section 121.03 of the Revised Code, and a state | 447 |
| agency organized under an administrative department or | 448 |
| administrative department head. "State agency" also includes the | 449 |
| department of education, the state lottery commission, the Ohio | 450 |
| casino control commission, the state racing commission, and the | 451 |
| public utilities commission of Ohio. Rules adopted by an | 452 |
| otherwise independent official or entity organized under a state | 453 |
| agency shall be attributed to the agency under which the | 454 |
| official or entity is organized for the purposes of this | 455 |
| sections 121.95, 121.951, 121.952, and 121.953 of the | 456 |

| Revised Code. | 457 |
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| (B) Not later than December 31, 2019, a state agency shall | 458 |
| review its existing rules to identify rules having one or more | 459 |
| regulatory restrictions that require or prohibit an action and | 460 |
| prepare a base inventory of the regulatory restrictions in its | 461 |
| existing rules. Rules that include the words "shall," "must," | 462 |
| "require," "shall not," "may not," and "prohibit" shall be | 463 |
| considered to contain regulatory restrictions. | 464 |
| (C) In the base inventory, the state agency shall indicate | 465 |
| all of the following concerning each regulatory restriction: | 466 |
| (1) A description of the regulatory restriction; | 467 |
| (2) The rule number of the rule in which the regulatory | 468 |
| restriction appears; | 469 |
| (3) The statute under which the regulatory restriction was | 470 |
| adopted; | 471 |
| (4) Whether state or federal law expressly and | 472 |
| specifically requires the agency to adopt the regulatory | 473 |
| restriction or the agency adopted the regulatory restriction | 474 |
| under the agency's general authority; | 475 |
| (5) Whether removing the regulatory restriction would | 476 |
| require a change to state or federal law, provided that removing | 477 |
| a regulatory restriction adopted under a law granting the agency | 478 |
| general authority shall be presumed not to require a change to | 479 |
| state or federal law; | 480 |
| (6) Any other information the joint committee on agency | 481 |
| rule review considers necessary. | 482 |
| (D) The state agency shall compute and state the total | 483 |
| number of regulatory restrictions indicated in the base | 484 |

| inventory, shall post the base inventory on its web site, and | 485 |
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| shall electronically transmit a copy of the inventory to the | 486 |
| joint committee. The joint committee shall review the base | 487 |
| inventory, then transmit it electronically to the speaker of the | 488 |
| house of representatives and the president of the senate. | 489 |
| (E) The following types of rules or regulatory | 490 |
| restrictions are not required to be included in a state agency's | 491 |
| inventory of regulatory restrictions: | 492 |
| (1) An internal management rule; | 493 |
| (2) An emergency rule; | 494 |
| (3) A rule that state or federal law requires the state | 495 |
| agency to adopt verbatim; | 496 |
| (4) A regulatory restriction contained in materials or | 497 |
| documents incorporated by reference into a rule pursuant to | 498 |
| sections 121.71 to 121.75 of the Revised Code; | 499 |
| (5) A rule adopted pursuant to section 1347.15 of the | 500 |
| Revised Code; | 501 |
| (6) A rule concerning instant lottery games; | 502 |
| (7) Any other rule that is not subject to review under | 503 |
| Chapter 106. of the Revised Code. | 504 |
| (F) Beginning on the effective date of this section and | 505 |
| ending on June 30, 2023, a state agency may not adopt a new | 506 |
| regulatory restriction unless it simultaneously removes two or | 507 |
| more other existing regulatory restrictions. The state agency | 508 |
| may not satisfy this section by merging two or more existing | 509 |
| regulatory restrictions into a single surviving regulatory | 510 |
| restriction | 511 |

| Sec. 121.951. (A) (1) Using the criteria listed in division | 512 |
|--|-----|
| (A) of section 106.03 of the Revised Code, a state agency shall | 513 |
| amend or rescind rules identified in its base inventory of | 514 |
| regulatory restrictions as necessary to reduce the total number | 515 |
| of regulatory restrictions by thirty per cent, according to the | 516 |
| <pre>following schedule:</pre> | 517 |
| (a) A ten per cent reduction not later than December 31, | 518 |
| <u>2020;</u> | 519 |
| (b) A twenty per cent reduction not later than December | 520 |
| 31, 2021; and | 521 |
| (c) The thirty per cent reduction not later than December | 522 |
| <u>31, 2022.</u> | 523 |
| When a state agency has achieved a reduction of any | 524 |
| percentage in regulatory restrictions, whether or not as | 525 |
| specified in this section, the state agency may not adopt or | 526 |
| maintain regulatory restrictions that would negate the | 527 |
| reduction. | 528 |
| (2) Beginning July 1, 2023, if a state agency has not | 529 |
| achieved a specified percentage reduction according to the | 530 |
| schedule, the state agency may not adopt a new regulatory | 531 |
| restriction unless it simultaneously removes two or more other | 532 |
| existing regulatory restrictions, until the specified thirty per | 533 |
| cent reduction has been achieved. The state agency may not | 534 |
| fulfill this requirement by merging two or more existing | 535 |
| regulatory restrictions into a single surviving regulatory | 536 |
| restriction. | 537 |
| (3) A state agency is encouraged to continue to reduce | 538 |
| regulatory restrictions after it has achieved the specified | 539 |
| thirty per cent reduction. | 540 |

Sub. S. B. No. 1 As Passed by the House

| (B)(1) Not later than March 15, 2021, and annually | 541 |
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| thereafter, a state agency shall prepare an historical report of | 542 |
| its progress in reducing regulatory restrictions over the | 543 |
| preceding year under divisions (A)(1) and (2) of this section. | 544 |
| The state agency shall explain in the report how it applied the | 545 |
| criteria described in division (A) of section 106.03 of the | 546 |
| Revised Code to its determinations as to which regulatory | 547 |
| restrictions to amend or rescind. The state agency shall include | 548 |
| a revised inventory of regulatory restrictions with the report. | 549 |
| (2) In the revised inventory, in addition to the | 550 |
| information required by section 121.95 of the Revised Code, the | 551 |
| state agency shall compute the percentage net reduction in | 552 |
| regulatory restrictions by subtracting the current number of | 553 |
| regulatory restrictions from the number of regulatory | 554 |
| restrictions identified in the base inventory and then dividing | 555 |
| the resulting number by the number of regulatory restrictions in | 556 |
| the base inventory. | 557 |
| (3) The state agency shall transmit the report | 558 |
| electronically to the joint committee on agency rule review. The | 559 |
| joint committee shall review the report and shall transmit it | 560 |
| electronically to the speaker of the house of representatives | 561 |
| and the president of the senate. The state agency shall continue | 562 |
| preparing and transmitting annual reports until it has reported | 563 |
| that it has achieved the required reduction in regulatory | 564 |
| restrictions. | 565 |
| Sec. 121.952. If a state agency fails to reduce regulatory | 566 |
| restrictions by a required percentage within one hundred twenty | 567 |
| days after a reduction deadline in section 121.951 of the | 568 |
| Revised Code, the joint committee on agency rule review shall | 569 |
| afford the state agency an opportunity to appear before the | 570 |

| joint committee to show cause why the agency's required | 571 |
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| reduction in regulatory restrictions should be lessened. If the | 572 |
| joint committee determines that the state agency has shown | 573 |
| cause, the joint committee shall determine a lessened required | 574 |
| reduction in regulatory restrictions for that agency and shall | 575 |
| submit a written report to the speaker of the house of | 576 |
| representatives and the president of the senate, indicating the | 577 |
| lessened required reduction in regulatory restrictions for that | 578 |
| agency and the reason the joint committee determined that | 579 |
| lessened required reduction. | 580 |
| Sec. 121.953. Effective January 1, 2023, the number of | 581 |
| regulatory restrictions in this state shall not exceed a number | 582 |
| of regulatory restrictions determined by the joint committee on | 583 |
| agency rule review in accordance with this section. The joint | 584 |
| committee shall determine that number by calculating, for each | 585 |
| agency, the number of regulatory restrictions identified by the | 586 |
| agency in the base inventory prepared under section 121.95 of | 587 |
| the Revised Code, minus the number of regulatory restrictions | 588 |
| that represents the percentage reduction the state agency is | 589 |
| required to achieve not later than January 1, 2023, and then | 590 |
| totaling the resulting numbers for all state agencies. A state | 591 |
| agency shall contact the joint committee before submitting a | 592 |
| proposed rule containing a regulatory restriction, and the joint | 593 |
| committee shall determine whether adopting the regulatory | 594 |
| restriction would cause the state to exceed the number of | 595 |
| regulatory restrictions permitted under this section. A state | 596 |
| agency may not adopt a rule if by adopting the rule the state | 597 |
| agency would cause the number of regulatory restrictions to | 598 |
| exceed the state limit as determined by the joint committee. | 599 |
| Sec. 3701.13. The (A) (1) Subject to division (C) of this | 600 |
| section, the department of health shall have supervision of all | 601 |

| matters relating to the preservation of the life and health of | 602 |
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| the people and have ultimate authority in matters of quarantine | 603 |
| and isolation, which it may declare and enforce, when neither | 604 |
| exists, and modify, relax, or abolish, when either has been | 605 |
| established. The | 606 |
| (2) The department may approve methods of immunization | 607 |
| against the diseases specified in section 3313.671 of the | 608 |
| Revised Code for the purpose of carrying out the provisions of | 609 |
| that section and take such actions as are necessary to encourage | 610 |
| vaccination against those diseases. | 611 |
| The (B) (1) Subject to division (C) of this section, the | 612 |
| department may make special or standing orders or rules for | 613 |
| <pre>preventing any of the following:</pre> | 614 |
| (a) For preventing the use of fluoroscopes for nonmedical | 615 |
| purposes that emit doses of radiation likely to be harmful to | 616 |
| any person, for; | 617 |
| (b) For preventing the spread of contagious or infectious | 618 |
| against the diseases specified in section 3313.671 of the Revised Code for the purpose of carrying out the provisions of that section and take such actions as are necessary to encourage vaccination against those diseases. The—(B)(1) Subject to division (C) of this section, the department may make special or standing orders or rules for preventing—any of the following: (a) For preventing the use of fluoroscopes for nonmedical purposes that emit doses of radiation likely to be harmful to any person, for; | 619 |
| (c) For governing the receipt and conveyance of remains of | 620 |
| deceased persons, and for: | 621 |
| (d) For such other sanitary matters as are best controlled | 622 |
| by a general rule. Whenever | 623 |
| (2) Whenever possible, the department shall work in | 624 |
| cooperation with the health commissioner of a general or city | 625 |
| health district. The Subject to division (C) of this section, | 626 |
| the department may make and enforce orders in local matters or | 627 |
| reassign substantive authority for mandatory programs from a | 628 |
| general or city health district to another general or city | 629 |
| health district when an emergency exists, or when the board of | 630 |

| refused to act with sufficient promptness or efficiency, or when | 632 |
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| such board has not been established as provided by sections | 633 |
| 3709.02, 3709.03, 3709.05, 3709.06, 3709.11, 3709.12, and | 634 |
| 3709.14 of the Revised Code. In such cases, the necessary | 635 |
| expense incurred shall be paid by the general health district or | 636 |
| city for which the services are rendered. | 637 |
| (C) (1) No order of the department shall be effective for a | 638 |
| period exceeding fourteen days, except with the approval of the | 639 |
| joint committee on agency rule review, as described in section | 640 |
| 101.36 of the Revised Code. For purposes of this division, an | 641 |
| order is considered to be effective for a period exceeding | 642 |
| fourteen days if the order includes an effective period that | 643 |
| exceeds fourteen days or if the substance of the order is | 644 |
| contained in multiple subsequently issued orders whose combined | 645 |
| effective period exceeds fourteen days. | 646 |
| (2) The department may adopt rules under this section only | 647 |
| in accordance with Chapter 119. of the Revised Code, and the | 648 |
| department shall not adopt an emergency rule, make an emergency | 649 |
| amendment to a rule, or rescind a rule on an emergency basis | 650 |
| under this section, as described in that chapter. | 651 |
| (D) The department of health may require general or city | 652 |
| health districts to enter into agreements for shared services | 653 |
| under section 9.482 of the Revised Code. The department shall | 654 |
| prepare and offer to boards of health a model contract and | 655 |
| memorandum of understanding that are easily adaptable for use by | 656 |
| boards of health when entering into shared services agreements. | 657 |
| The department also may offer financial and other technical | 658 |
| assistance to boards of health to encourage the sharing of | 659 |
| services. | 660 |

health of a general or city health district has neglected or

| (E) As a condition precedent to receiving funding from the | 661 |
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| department of health, the director of health may require general | 662 |
| or city health districts to apply for accreditation by July 1, | 663 |
| 2018, and be accredited by July 1, 2020, by an accreditation | 664 |
| body approved by the director. The director of health, by July | 665 |
| 1, 2016, shall conduct an evaluation of general and city health | 666 |
| district preparation for accreditation, including an evaluation | 667 |
| of each district's reported public health quality indicators as | 668 |
| provided for in section 3701.98 of the Revised Code. | 669 |
| (F) The department may make evaluative studies of the | 670 |
| nutritional status of Ohio residents, and of the food and | 671 |
| nutrition-related programs operating within the state. Every | 672 |
| agency of the state, at the request of the department, shall | 673 |
| provide information and otherwise assist in the execution of | 674 |
| such studies. | 675 |
| Section 2. That existing sections 101.35, 106.021, 106.03, | 676 |
| 106.031, 121.95, and 3701.13 of the Revised Code are hereby | 677 |
| repealed. | 678 |
| Section 3. Any order of the Director of Health issued | 679 |
| under section 3701.13 of the Revised Code on or after April 29, | 680 |
| 2020, shall cease to be effective fourteen days after the | 681 |
| effective date of this section, unless the Joint Committee on | 682 |
| Agency Rule Review approves extensions of the orders under | 683 |

section 101.36 of the Revised Code, as enacted by this act.