

**As Reported by the House Economic and Workforce Development
Committee**

135th General Assembly

**Regular Session
2023-2024**

Sub. S. B. No. 75

Senator Blessing

**Cosponsors: Senators Brenner, Cirino, Craig, DeMora, Ingram, Landis, Smith,
Sykes**

Representative Lorenz

A BILL

To amend sections 715.72 and 5301.072 and to enact 1
sections 1357.01, 1357.02, 1357.04, 1357.05, 2
1357.06, 1357.07, 1357.08, 1357.09, 1357.10, 3
1357.11, 1357.12, 1357.13, and 3902.63 of the 4
Revised Code to allow two or more municipalities 5
to create a joint economic development district 6
without involving a township, to create a 7
regulatory relief division within the common 8
sense initiative office and establish a 9
universal regulatory sandbox program, to 10
restrict cost-sharing requirements with regard 11
to occupational and physical therapists and 12
chiropractors, and to prohibit homeowners 13
associations from restricting the display of 14
political yard signs. 15

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

Section 1. That sections 715.72 and 5301.072 be amended 16

and sections 1357.01, 1357.02, 1357.04, 1357.05, 1357.06, 17
1357.07, 1357.08, 1357.09, 1357.10, 1357.11, 1357.12, 1357.13, 18
and 3902.63 of the Revised Code be enacted to read as follows: 19

Sec. 715.72. (A) As used in this section: 20

(1) "Contracting ~~parties~~party" means ~~one or more a~~ 21
~~municipal corporations, one corporation or more townships, and,~~ 22
~~under division (D) of this section, one or more counties~~ 23
township that have has entered or is in the process of entering 24
into a contract under this section to create a joint economic 25
development district or a county that has entered such a 26
contract under division (D) of this section. 27

(2) "District" means a joint economic development district 28
created under this section. 29

(3) "Contract for utility services" means a contract under 30
which a municipal corporation agrees to provide to a township or 31
another municipal corporation water, sewer, electric, or other 32
utility services necessary to the public health, safety, and 33
welfare. 34

(4) "Business" means a sole proprietorship, a corporation 35
for profit, a pass-through entity as defined in section 5733.04 36
of the Revised Code, the federal government, the state, the 37
state's political subdivisions, a nonprofit organization, or a 38
school district. 39

(5) "Owner" means a partner of a partnership, a member of 40
a limited liability company, a majority shareholder of an S 41
corporation, a person with a majority ownership interest in a 42
pass-through entity, or any officer, employee, or agent with 43
authority to make decisions legally binding upon a business. 44

(6) "Record owner" means the person or persons in whose 45

name a parcel is listed on the tax list or exempt list compiled 46
by the county auditor under section 319.28 or 5713.08 of the 47
Revised Code. 48

(7) A business "operates within" a district if the net 49
profits of the business or the income of employees of the 50
business would be subject to an income tax levied within the 51
district. 52

(8) An employee is "employed within" a district if any 53
portion of the employee's income would be subject to an income 54
tax levied within the district. 55

(9) "Mixed-use development" means a real estate project 56
that tends to mitigate traffic and sprawl by integrating some 57
combination of retail, office, residential, hotel, recreation, 58
and other functions in a pedestrian-oriented environment that 59
maximizes the use of available space by allowing members of the 60
community to live, work, and play in one architecturally 61
expressive area with multiple amenities. 62

(10) "Water or sewer service plan or agreement" means 63
either of the following: 64

(a) A state water quality management plan adopted by the 65
Ohio environmental protection agency or another authorized 66
planning agency pursuant to 33 U.S.C. 1288 and 1313 that 67
contemplates that a non-contracting municipal corporation will 68
provide sanitary sewer disposal services to an area within a 69
proposed joint economic development district; 70

(b) A binding agreement between a municipal corporation 71
and a third-party water or sanitary sewer services provider, 72
including another municipal corporation or other public or 73
private provider, that provides that a non-contracting municipal 74

corporation or another provider that is not a contracting party 75
will provide water or sanitary sewer services to an area within 76
a proposed joint economic development district. 77

(11) "Non-contracting municipal corporation" means a 78
municipal corporation that is not a contracting party. 79

(B) This section provides alternative procedures and 80
requirements to those set forth in sections 715.70 and 715.71 of 81
the Revised Code for creating and operating a joint economic 82
development district. ~~This Subject to division (C) (1) (b) of this~~ 83
section, this section applies to municipal corporations and 84
townships that are located in the same county or in adjacent 85
counties. 86

(C) ~~One or more municipal corporations, one or more~~ 87
~~townships, and, under division~~ Subject to divisions (C) and (D) 88
of this section, ~~one two~~ or more ~~counties~~ contracting parties 89
may enter into a contract pursuant to which ~~they the~~ contracting 90
parties designate one or more areas as a joint economic 91
development district for the purpose of facilitating economic 92
development and redevelopment, to create or preserve jobs and 93
employment opportunities, and to improve the economic welfare of 94
the people in this state and in the area of the contracting 95
parties. 96

(1) Except as otherwise provided in division (C) (2) of 97
this section, ~~the~~ : 98

(a) If at least one of the contracting parties is a 99
township or county, the territory of each of the contracting 100
parties shall be contiguous to the territory of at least one 101
other contracting party, or contiguous to the territory of a 102
township, municipal corporation, or county that is contiguous to 103

another contracting party, even if the intervening township or 104
municipal corporation is not a contracting party. 105

(b) If all of the contracting parties are municipal 106
corporations, the territory of each contracting party shall be 107
partially or wholly located in the same county and contiguous to 108
the territory of at least one other contracting party or 109
contiguous to a township that is contiguous to another 110
contracting party. 111

(2) Contracting parties that have entered into a contract 112
under section 715.70 or 715.71 of the Revised Code creating a 113
joint economic development district prior to November 15, 1995, 114
may enter into a contract under this section even if the 115
territory of each of the contracting parties is not contiguous 116
to the territory of at least one other contracting party, or 117
contiguous to the territory of a township or municipal 118
corporation that is contiguous to another contracting party as 119
otherwise required under division (C) (1) of this section. The 120
contract and district shall meet the requirements of this 121
section. 122

(3) At least one of the contracting parties shall be a 123
municipal corporation, and at least one of the contracting 124
parties shall be either of the following: 125

(a) A township; 126

(b) A municipal corporation in which part or all of the 127
area or areas to be included in the joint economic development 128
district is or are located, provided that each such area in that 129
municipal corporation has at least two of the characteristics 130
described in divisions (A) (1) (a) to (h) of section 5709.61 of 131
the Revised Code, pursuant to the rules adopted by the director 132

<u>of development under division (A) (1) of that section.</u>	133
(D) If, on or after December 30, 2008, but on or before	134
June 30, 2009, one or more municipal corporations and one or	135
more townships enter into a contract or amend an existing	136
contract under this section, one or more counties in which all	137
of those municipal corporations or townships are located also	138
may enter into the contract as a contracting party or parties.	139
(E) (1) The area or areas to be included in a joint	140
economic development district shall meet all of the following	141
criteria:	142
(a) The area or areas shall be located within the	143
territory of one or more of the contracting parties and may	144
consist of all of the territory of any or all of the contracting	145
parties.	146
(b) No electors, except those residing in a mixed-use	147
development, shall reside within the area or areas on the	148
effective date of the contract creating the district.	149
(c) The area or areas shall not include any parcel of land	150
owned in fee by or leased to a municipal corporation or	151
township, unless the municipal corporation or township is a	152
contracting party or has given its consent to have the parcel of	153
land included in the district by the adoption of an ordinance or	154
resolution.	155
(d) The area or areas shall not include any parcel of land	156
excluded pursuant to division (J) (2) of this section.	157
(2) The contracting parties may designate excluded parcels	158
within the boundaries of the joint economic development	159
district. Excluded parcels are not part of the district and	160
persons employed or residing on such parcels shall not be	161

subject to any income tax imposed within the district under 162
division (F) (5) of this section. 163

(F) (1) The contract creating a joint economic development 164
district shall provide for the amount or nature of the 165
contribution of each contracting party to the development and 166
operation of the district and may provide for the sharing of the 167
costs of the operation of and improvements for the district. The 168
contributions may be in any form to which the contracting 169
parties agree and may include, but are not limited to, the 170
provision of services, money, real or personal property, 171
facilities, or equipment. 172

(2) The contract may provide for the contracting parties 173
to share revenue from taxes levied by one or more of the 174
contracting parties if those revenues may lawfully be applied to 175
that purpose under the legislation by which those taxes are 176
levied. 177

(3) The contract shall include an economic development 178
plan for the district that consists of a schedule for the 179
provision of new, expanded, or additional services, facilities, 180
or improvements. The contract may provide for expanded or 181
additional capacity for or other enhancement of existing 182
services, facilities, or improvements. 183

(4) The contract shall enumerate the specific powers, 184
duties, and functions of the board of directors of the district 185
described under division (P) of this section and shall designate 186
procedures consistent with that division for appointing members 187
to the board. The contract shall enumerate rules to govern the 188
board in carrying out its business under this section. 189

(5) (a) The contract may grant to the board the power to 190

adopt a resolution to levy an income tax within the entire 191
district or within portions of the district designated by the 192
contract. The income tax shall be used to carry out the economic 193
development plan for the district or the portion of the district 194
in which the tax is levied and for any other lawful purpose of 195
the contracting parties pursuant to the contract, including the 196
provision of utility services by one or more of the contracting 197
parties. 198

(b) An income tax levied under this section shall be based 199
on both the income earned by persons employed or residing within 200
the district and the net profit of businesses operating within 201
the district. 202

Except as provided in this section, the income tax levied 203
within the district is subject to Chapter 718. of the Revised 204
Code, except that no vote shall be required. The rate of the 205
income tax shall be no higher than the highest rate being levied 206
by a municipal corporation that is a contracting party. 207

(c) If the board adopts a resolution to levy an income 208
tax, it shall enter into an agreement with a municipal 209
corporation that is a contracting party to administer, collect, 210
and enforce the income tax on behalf of the district. 211

(d) A resolution levying an income tax under this section 212
shall require the contracting parties to annually set aside a 213
percentage, to be stated in the resolution, of the amount of the 214
income tax collected for the long-term maintenance of the 215
district. 216

(e) An income tax levied under this section shall apply in 217
the district or the portion of the district in which the 218
contract authorizes an income tax throughout the term of the 219

contract creating the district. The tax shall not apply to any 220
persons employed or residing on a parcel excluded from the 221
district under division (E) (2) of this section. 222

(6) If there is unincorporated territory in the district, 223
the contract shall specify that restrictions on annexation 224
proceedings under division (R) of this section apply to such 225
unincorporated territory. The contract may prohibit proceedings 226
under Chapter 709. of the Revised Code proposing the annexation 227
to, merger of, or consolidation with a municipal corporation 228
that is a contracting party of any unincorporated territory 229
within a township that is a contracting party during the term of 230
the contract regardless of whether that territory is located 231
within the district. 232

(7) The contract may designate property as a community 233
entertainment district, or may be amended to designate property 234
as a community entertainment district, as prescribed in division 235
(D) of section 4301.80 of the Revised Code. A contract or 236
amendment designating a community entertainment district shall 237
include all information and documentation described in divisions 238
(B) (1) to (6) of section 4301.80 of the Revised Code. The public 239
notice required under division (I) of this section shall specify 240
that the contract designates a community entertainment district 241
and describe the location of that district. Except as provided 242
in division (F) of section 4301.80 of the Revised Code, an area 243
designated as a community entertainment district under a joint 244
economic development district contract shall not lose its 245
designation even if the contract is canceled or terminated. 246

(8) If any part of the district is located either within 247
one-half of one mile of a non-contracting municipal corporation 248
or within an area covered by or subject to a water or sewer 249

service plan or agreement, the contract shall include all of the	250
following:	251
(a) A preliminary estimate of the costs of providing	252
public utility services, facilities, and improvements to the	253
district, prepared by a professional engineer;	254
(b) An analysis of the anticipated sources for funding the	255
costs of the public utilities infrastructure needed to serve the	256
district and a projection of when such funds will be available	257
and when such costs are likely to be incurred;	258
(c) Evidence or estimates indicating that the construction	259
of the public utility infrastructure needed to serve at least	260
some portion of the district will be completed within five years	261
after the creation of the district.	262
(G) The contract creating a joint economic development	263
district shall continue in existence throughout its term and	264
shall be binding on the contracting parties and on any parties	265
succeeding to the contracting parties, whether by annexation,	266
merger, or consolidation. Except as provided in division (H) of	267
this section, the contract may be amended, renewed, or	268
terminated with the approval of the contracting parties or any	269
parties succeeding to the contracting parties. If the contract	270
is amended to add or remove an area to or from an existing	271
district, the amendment shall be adopted in the manner	272
prescribed under division (L) of this section.	273
(H) If two or more contracting parties previously have	274
entered into a separate contract for utility services, then	275
amendment, renewal, or termination of the separate contract for	276
utility services shall not constitute any part of the	277
consideration for the contract creating a joint economic	278

development district. A contract creating a joint economic 279
development district shall be rebuttably presumed to violate 280
this division if it is entered into within two years prior or 281
five years subsequent to the amendment, renewal, or termination 282
of a separate contract for utility services that two or more 283
contracting parties previously have entered into. The 284
presumption stated in this division may be rebutted by clear and 285
convincing evidence of both of the following: 286

(1) That other substantial consideration existed to 287
support the contract creating a joint economic development 288
district; 289

(2) That the contracting parties entered into the contract 290
creating a joint economic development district freely and 291
without duress or coercion related to the amendment, renewal, or 292
termination of the separate contract for utility services. 293

A contract creating a joint economic development district 294
that violates this division is void and unenforceable. 295

(I) (1) Before the legislative authority of any of the 296
contracting parties adopts an ordinance or resolution approving 297
a contract to create a district, the legislative authority of 298
each of the contracting parties shall hold a public hearing 299
concerning the contract and district. Each legislative authority 300
shall provide at least thirty days' public notice of the time 301
and place of the public hearing in a newspaper of general 302
circulation in the municipal corporation, township, or county, 303
as applicable. During the thirty-day period prior to the public 304
hearing and until the date that an ordinance or resolution is 305
adopted under division (K) of this section to approve the joint 306
economic development district contract, all of the following 307
documents shall be available for public inspection in the office 308

of the clerk of the legislative authority of a municipal corporation and county that is a contracting party and in the office of the fiscal officer of a township that is a contracting party: 309
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(a) A copy of the contract creating the district, including the economic development plan for the district and the schedule for the provision of new, expanded, or additional services, facilities, or improvements described in division (F) (3) of this section; 313
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(b) A description of the area or areas to be included in the district, including a map in sufficient detail to denote the specific boundaries of the area or areas and to indicate any zoning restrictions applicable to the area or areas, and the parcel number, provided for under section 319.28 of the Revised Code, of any parcel located within the boundaries of the joint economic development district and excluded from the district under division (E) (2) of this section; 318
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(c) If the contract authorizes the board of directors of the district to adopt a resolution to levy an income tax within the district or within portions of the district, a schedule for the collection of the tax. 326
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(2) At least thirty days before the first public hearing is to be held by one or more legislative authorities on a proposed district, notice shall be sent in writing to each non-contracting municipal corporation that is located within one-half of one mile of the proposed district or that is identified in a water or sewer service plan or agreement as a future provider of water or sewer services to all or part of the proposed district. 330
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(3) A public hearing held under this division shall allow 338
for public comment and recommendations on the contract and 339
district. The contracting parties may include in the contract 340
any of those recommendations prior to approval of the contract. 341

(J) (1) Before any of the contracting parties approves a 342
contract under division (K) of this section, the contracting 343
parties shall circulate one or more petitions to record owners 344
of real property located within the proposed joint economic 345
development district and owners of businesses operating within 346
the proposed district. The petitions shall state that all of the 347
documents described in divisions (I) (1) (a) to (c) of this 348
section are available for public inspection in the office of the 349
clerk of the legislative authority of each municipal corporation 350
and county that is a contracting party or the office of the 351
fiscal officer of each township that is a contracting party. The 352
petitions shall clearly indicate that, by signing the petition, 353
the record owner or owner consents to the proposed joint 354
economic development district. 355

A contracting party may send written notice of the 356
petitions by certified mail with return receipt requested to the 357
last known mailing addresses of any or all of the record owners 358
of real property located within the proposed district or the 359
owners of businesses operating within the proposed district. The 360
contracting parties shall equally share the costs of complying 361
with this division. 362

(2) If any portion of property located within the proposed 363
joint economic development district is also either located 364
within one-half of one mile of a non-contracting municipal 365
corporation or covered by or subject to a water or sewer service 366
plan or agreement under which a non-contracting municipal 367

corporation is identified as a future provider of water or sewer 368
services to all or part of the proposed district, then that 369
property and any property contiguous to that property if owned 370
by the same person shall be excluded from the joint economic 371
development district unless the owner of the property signs the 372
petition. 373

(K) (1) After the public hearings required under division 374
(I) of this section have been held and the petitions described 375
in division (J) of this section have been signed by the majority 376
of the record owners of real property located within the 377
proposed joint economic development district and by a majority 378
of the owners of businesses, if any, operating within the 379
proposed district, each contracting party may adopt an ordinance 380
or resolution approving the contract to create a joint economic 381
development district. Not later than ten days after all of the 382
contracting parties have adopted ordinances or resolutions 383
approving the district contract, each contracting party shall 384
give notice of the proposed district to all of the following: 385

(a) Each record owner of real property to be included in 386
the district and in the territory of that contracting party who 387
did not sign the petitions described in division (J) of this 388
section; 389

(b) An owner of each business operating within the 390
district and in the territory of that contracting party no owner 391
of which signed the petitions described in division (J) of this 392
section. 393

(2) Such notices shall be given by certified mail and 394
shall specify that the property or business is located within an 395
area to be included in the district and that all of the 396
documents described in divisions (I) (1) (a) to (c) of this 397

section are available for public inspection in the office of the 398
clerk of the legislative authority of each municipal corporation 399
and county that is a contracting party or the office of the 400
fiscal officer of each township that is a contracting party. The 401
contracting parties shall equally share the costs of complying 402
with division (K) of this section. 403

(L) (1) The contracting parties may amend the joint 404
economic development district contract to add any area that was 405
not originally included in the district if the area satisfies 406
the criteria prescribed under division (E) of this section. The 407
contracting parties may also amend the district contract to 408
remove any area originally included in the district or exclude 409
one or more parcels located within the district pursuant to 410
division (E) (2) of this section. 411

(2) An amendment adding an area to a district, removing an 412
area from the district, or excluding one or more parcels from 413
the district may be approved only by a resolution or ordinance 414
adopted by each of the contracting parties. The contracting 415
parties shall conduct public hearings on the amendment and 416
provide notice in the manner required under division (I) of this 417
section for original contracts. The contracting parties shall 418
make available for public inspection a copy of the amendment, a 419
description of the area to be added, removed, or excluded to or 420
from the district, and a map of that area in sufficient detail 421
to denote the specific boundaries of the area and to indicate 422
any zoning restrictions applicable to the area. 423

(3) Before adopting a resolution or ordinance approving 424
the addition of an area to the district, the contracting parties 425
shall circulate petitions to the record owners of real property 426
located within the proposed addition to the district and owners 427

of businesses operating within the proposed addition to the 428
district in the same manner required under division (J) of this 429
section for original contracts. The contracting parties may 430
notify such record owners of real property and owners of 431
businesses that the petitions are available for signing in the 432
same manner provided by that division. The contracting parties 433
shall equally share the costs of complying with this division. 434

(4) The contracting parties to a joint economic 435
development district may vote to approve an amendment to the 436
district contract under this division after the public hearings 437
required under division (L)(2) of this section are completed 438
and, if the amendment adds an area or areas to the district, the 439
petitions required under division (L)(3) of this section have 440
been signed by the majority of record owners of real property 441
located within the area or areas added to the district and by a 442
majority of the owners of businesses, if any, operating within 443
the proposed addition to the district. 444

(5) Not later than ten days after all of the contracting 445
parties have adopted ordinances or resolutions approving an 446
amendment adding one or more areas to the district, each 447
contracting party shall give notice of the addition to all of 448
the following: 449

(a) Each record owner of real property to be included in 450
the addition to the district and in the territory of that 451
contracting party who did not sign the petitions described in 452
division (L)(3) of this section; 453

(b) An owner of each business operating within the 454
addition to the district and in the territory of that 455
contracting party no owner of which signed the petitions 456
described in division (L)(3) of this section. 457

The contracting parties shall equally share the costs of 458
complying with division (L) (5) of this section. 459

(M) (1) Except as provided in division (M) (2) of this 460
section, the designation of a joint economic development 461
district is subject to elector approval in each contracting 462
party that is a township or, if none of the contracting parties 463
are townships, a municipal corporation within which all or part 464
of the territory of the district is located and that does not 465
levy an income tax in accordance with Chapter 718. of the 466
Revised Code at a rate exceeding one per cent. 467

(2) A board of township trustees that is a party to a 468
contract creating a joint economic development district of a 469
township or the legislative authority of a municipal corporation 470
described in division (M) (1) of this section may choose not to 471
submit its ordinance or resolution approving the joint economic 472
development district contract to the electors of the township or 473
municipal corporation, respectively, if all of the following 474
conditions are satisfied: 475

(a) The ordinance or resolution has been approved by a 476
unanimous vote of the members of the board ~~of township trustees~~ 477
or legislative authority, or, if a county is one of the 478
contracting parties under division (D) of this section, the 479
resolution has been approved by a majority vote of the members 480
of the board ~~of township trustees~~ or legislative authority; 481

(b) The contracting parties have circulated petitions as 482
required under division (J) of this section and obtained the 483
signatures required under division ~~(L)~~ (K) of this section; 484

(c) The territory to be included in the proposed district 485
is zoned in a manner appropriate to the function of the 486

district. 487

~~(2)~~ (3) If the a board of township trustees has of a 488
township or the legislative authority of a municipal corporation 489
described in division (M) (1) of this section chooses not invoked 490
to invoke its authority under division ~~(M) (1)~~ (M) (2) of this 491
section, or if the conditions described by that division are not 492
satisfied, the board or legislative authority, at least ninety 493
days before the date of the election, shall file its ordinance 494
or resolution approving the district contract with the board of 495
elections for submission to the electors of the township or 496
municipal corporation, respectively, for approval at the next 497
succeeding general, primary, or special election. 498

~~(3)~~ (4) Any contract creating a district in which a board 499
of township trustees or municipal corporation described in 500
division (M) (1) of this section is a party shall provide that 501
the contract is not effective before the thirty-first day after 502
its approval, including approval by the electors of the township 503
or municipal corporation, if required by this section. 504

~~(4)~~ (5) If the a board of township trustees of a township 505
or the legislative authority of a municipal corporation 506
described in division (M) (1) of this section invokes its 507
authority under division ~~(M) (1)~~ (M) (2) of this section and does 508
not submit the district contract to the electors for approval, 509
the ordinance or resolution of the board of township trustees 510
approving the contract is subject to a referendum of the 511
electors of the township or municipal corporation when requested 512
through a petition. When signed by ten per cent of the number of 513
electors in the township or municipal corporation who voted for 514
the office of governor at the most recent general election, a 515
referendum petition asking that the ordinance or resolution be 516

submitted to the electors ~~of the township~~ may be presented to 517
the board of township trustees or the legislative authority of 518
the municipal corporation. Such a petition shall be presented 519
within thirty days after the board ~~of township trustees or~~ 520
legislative authority adopts the ordinance or resolution 521
approving the district contract. The board ~~of township trustees~~ 522
or legislative authority shall, not later than four p.m. of the 523
tenth day after receipt of the petition, certify the text of the 524
ordinance or resolution to the board of elections. The board of 525
elections shall submit the resolution to the electors of the 526
township or municipal corporation for their approval or 527
rejection at the next general, primary, or special election 528
occurring at least ninety days after certification of the 529
ordinance or resolution. 530

(N) The ballot respecting ~~a~~ an ordinance or resolution to 531
create a district or a referendum of such a resolution shall be 532
in the following form: 533

"Shall the ~~resolution~~ _____ (ordinance or resolution) 534
of _____ (here insert name of the ~~board of township~~ 535
~~trustees or municipal corporation~~) approving the contract with 536
..... _____ (here insert name of every other 537
contracting party) for the creation of a joint economic 538
development district (JEDD) be approved? 539

FOR THE ~~RESOLUTION AND~~ JEDD CONTRACT 540

AGAINST THE ~~RESOLUTION AND~~ JEDD CONTRACT" 541

If a majority of the electors of the township or municipal 542
corporation voting on the issue vote for the ~~resolution and~~ 543
joint economic development district contract, the ordinance or 544
resolution shall become effective immediately and the contract 545

shall go into effect on the thirty-first day after the election 546
or thereafter in accordance with terms of the contract. 547

(O) Upon the creation of a district under this section, 548
one of the contracting parties shall file a copy of each of the 549
following documents with the director of development: 550

(1) All of the documents described in divisions (I) (1) (a) 551
to (c) of this section; 552

(2) Certified copies of the ordinances and resolutions of 553
the contracting parties relating to the contract and district; 554

(3) Documentation from each contracting party that the 555
public hearings required by division (I) of this section have 556
been held, the date of the hearings, and evidence that notice of 557
the hearings was published as required by that division; 558

(4) A copy of the signed petitions required under 559
divisions (J) and (K) of this section. 560

(P) A board of directors shall govern each district 561
created under this section. 562

(1) If there are businesses operating and persons employed 563
within the district, the board shall be composed of the 564
following members: 565

(a) One member representing the municipal corporations 566
that are contracting parties; 567

(b) One member representing the townships that are 568
contracting parties, or, if no contracting party is a township, 569
a second member representing the municipal corporations that are 570
contracting parties; 571

(c) One member representing the owners of businesses 572

operating within the district;	573
(d) One member representing the persons employed within the district;	574 575
(e) One member representing the counties that are contracting parties, or, if no contracting party is a county, one member selected by the members described in divisions (P) (1) (a) to (d) of this section.	576 577 578 579
The members of the board shall be appointed as provided in the district contract. Of the members initially appointed to the board, the member described in division (P) (1) (a) of this section shall serve a term of one year; the member described in division (P) (1) (b) of this section shall serve a term of two years; the member described in division (P) (1) (c) of this section shall serve a term of three years; and the members described in divisions (P) (1) (d) and (e) of this section shall serve terms of four years. Thereafter, terms for each member shall be for four years, each term ending on the same day of the same month of the year as did the term that it succeeds. A member may be reappointed to the board, but no member shall serve more than two consecutive terms on the board.	580 581 582 583 584 585 586 587 588 589 590 591 592
The member described in division (P) (1) (e) of this section shall serve as chairperson of the board described under division (P) (1) of this section.	593 594 595
(2) If there are no businesses operating or persons employed within the district, the board shall be composed of the following members:	596 597 598
(a) One member representing the municipal corporations that are contracting parties;	599 600
(b) One member representing the townships that are	601

contracting parties, or, if no contracting party is a township, 602
a second member representing the municipal corporations that are 603
contracting parties; 604

(c) One member representing the counties that are 605
contracting parties, or if no contracting party is a county, one 606
member selected by the members described in divisions (P) (2) (a) 607
and (b) of this section. 608

The members of the board shall be appointed as provided in 609
the district contract. Of the members initially appointed to the 610
board, the member described in division (P) (2) (a) of this 611
section shall serve a term of one year; the member described in 612
division (P) (2) (b) of this section shall serve a term of two 613
years; and the member described in division (P) (2) (c) of this 614
section shall serve a term of three years. Thereafter, terms for 615
each member shall be for four years, each term ending on the 616
same day of the same month of the year as did the term that it 617
succeeds. A member may be reappointed to the board, but no 618
member shall serve more than two consecutive terms on the board. 619

The member described in division (P) (2) (c) of this section 620
shall serve as chairperson of a board described under division 621
(P) (2) of this section. 622

(3) A board described under division (P) (1) or (2) of this 623
section has no powers except as described in this section and in 624
the contract creating the district. 625

(4) Membership on the board of directors of a joint 626
economic development district created under this section is not 627
the holding of a public office or employment within the meaning 628
of any section of the Revised Code prohibiting the holding of 629
other public office or employment. Membership on such a board is 630

not a direct or indirect interest in a contract or expenditure 631
of money by a municipal corporation, township, county, or other 632
political subdivision with which a member may be affiliated. 633
Notwithstanding any provision of law to the contrary, no member 634
of a board of directors of a joint economic development district 635
shall forfeit or be disqualified from holding any public office 636
or employment by reason of membership on the board. 637

(5) The board of directors of a joint economic development 638
district is a public body for the purposes of section 121.22 of 639
the Revised Code. Chapter 2744. of the Revised Code applies to 640
such a board and the district. 641

(Q) (1) On or before the date occurring six months after 642
the effective date of the district contract, an owner of a 643
business operating within the district may, on behalf of the 644
business and its employees, file a complaint with the court of 645
common pleas of the county in which the majority of the 646
territory of the district is located requesting exemption from 647
any income tax imposed by the board of directors of the district 648
under division (F) (5) of this section if all of the following 649
apply: 650

(a) The business operated within an unincorporated area of 651
the district before the effective date of the district contract; 652

(b) No owner of the business signed a petition described 653
in division (J) of this section; 654

(c) Neither the business nor its employees has derived or 655
will derive any material benefit from the new, expanded, or 656
additional services, facilities, or improvements described in 657
the economic development plan for the district, or the material 658
benefit that has, or will be, derived is negligible in 659

comparison to the income tax revenue generated from the net 660
profits of the business and the income of employees of the 661
business. 662

The legislative authority of each contracting party shall 663
be made a party to the proceedings and the business owner filing 664
the complaint shall serve notice of the complaint by certified 665
mail to each such contracting party. The court shall not accept 666
any complaint filed more than six months after the effective 667
date of the district contract. 668

(2) Any or all of the contracting parties may submit a 669
written answer to the complaint submitted under division (Q) (1) 670
of this section to the court within thirty days after notice of 671
the complaint was served upon them. Such a contracting party 672
shall submit to the court, along with the answer, documentation 673
sufficient to prove that the contracting party sent copies of 674
the answer to the owner of the business who filed the complaint. 675

(3) The court shall review each complaint submitted by a 676
business owner under division (Q) (1) of this section and each 677
answer submitted by a contracting party under division (Q) (2) of 678
this section. The court may make a determination on the record 679
and the evidence thus submitted, or it may conduct a hearing and 680
request the presence of the business owner and the contracting 681
parties to present evidence relevant to the complaint. The court 682
shall make a determination on the complaint not sooner than 683
thirty days but not later than sixty days after the complaint is 684
filed by the business owner. The court may make a determination 685
more than sixty days after the complaint is filed if the 686
business owner and all contracting parties to the district 687
consent. 688

(4) The court shall grant the exemption requested in the 689

complaint if all of the criteria described in divisions (Q) (1)	690
(a) to (c) of this section are met.	691
(5) If all the criteria described in divisions (Q) (1) (a)	692
to (c) of this section are not met, the court shall deny the	693
complaint and the exemption.	694
(6) The court shall send notice of the determination with	695
respect to the complaint to the owner of the business and each	696
contracting party. If the court grants the exemption, the net	697
profits of the business from operations within the district and	698
the income of its employees from employment within the district	699
are exempt from any income tax imposed by the board of directors	700
of the district. If the court denies the exemption, the net	701
profits of the business and the income of its employees shall be	702
taxed according to the terms of the district contract and any	703
taxes, penalties, and interest accrued before the date of the	704
court's determination shall be paid in full. In addition, no	705
owner of the business may submit another complaint under	706
division (Q) (1) of this section for the same district contract.	707
The court's determination on a complaint filed under division	708
(Q) of this section is final.	709
(7) Chapter 2506. of the Revised Code does not apply to	710
the proceedings described in division (Q) of this section.	711
(R) (1) No proceeding pursuant to Chapter 709. of the	712
Revised Code that proposes the annexation to, merger of, or	713
consolidation with a municipal corporation of any unincorporated	714
territory within a joint economic development district may be	715
commenced at any time between the effective date of the contract	716
creating the district and the date the contract expires,	717
terminates, or is otherwise rendered unenforceable. This	718
division does not apply if each board of township trustees whose	719

territory is included within the district and whose territory is 720
proposed to be annexed, merged, or consolidated adopts a 721
resolution consenting to the commencement of the proceeding. 722
Each such board of township trustees shall file a copy of the 723
resolution with the clerk of the legislative authority of each 724
county within which a contracting party is located. 725

(2) The contract creating a joint economic development 726
district may prohibit any annexation proceeding by a contracting 727
municipal corporation of any unincorporated territory within the 728
district or zone beyond the period described in division (R)(1) 729
of this section. 730

(3) No contracting party is divested or relieved of its 731
rights or obligations under the contract creating a joint 732
economic development district because of annexation, merger, or 733
consolidation. 734

(S) Contracting parties may enter into agreements pursuant 735
to the contract creating a joint economic development district 736
with respect to the substance and administration of zoning and 737
other land use regulations, building codes, permanent public 738
improvements, and other regulatory and proprietary matters 739
determined to be for a public purpose. No contract, however, 740
shall exempt the territory within the district from the 741
procedures of land use regulation applicable pursuant to 742
municipal corporation, township, and county regulations, 743
including, but not limited to, zoning procedures. 744

(T) The powers granted under this section are in addition 745
to and not in the derogation of all other powers possessed by or 746
granted to municipal corporations, townships, and counties 747
pursuant to law. 748

(1) When exercising a power or performing a function or duty under a contract entered into under this section, a municipal corporation may exercise all the powers of a municipal corporation, and may perform all the functions and duties of a municipal corporation, within the district, pursuant to and to the extent consistent with the contract.

(2) When exercising a power or performing a function or duty under a contract entered into under division (D) of this section, a county may exercise all of the powers of a county, and may perform all the functions and duties of a county, within the district pursuant to and to the extent consistent with the contract.

(3) When exercising a power or performing a function or duty under a contract entered into under this section, a township may exercise all the powers of a township, and may perform all the functions and duties of a township, within the district, pursuant to and to the extent consistent with the contract.

(U) No political subdivision shall grant any tax exemption under Chapter 1728. or section 3735.67, 5709.62, 5709.63, or 5709.632 of the Revised Code on any property located within the district without the consent of all the contracting parties. The prohibition against granting a tax exemption under this section does not apply to any exemption filed, pending, or approved before the effective date of the contract entered into under this section.

Sec. 1357.01. As used in this chapter:

(A) "Advisory committee" means the universal regulatory sandbox program advisory committee established under section

1357.04 of the Revised Code. 778

(B) "Applicable agency" means a department or agency of 779
the state that by law regulates a business activity and persons 780
engaged in such business activity, including the issuance of 781
licenses or other types of authorization, which the regulatory 782
relief division determines would otherwise regulate a sandbox 783
participant. 784

(C) "Business day" means any day of the week, excluding 785
Saturday, Sunday, and a legal holiday, as defined in section 786
1.14 of the Revised Code. 787

(D) "Common sense initiative office" means the office 788
established by the governor under section 107.61 of the Revised 789
Code. 790

(E) "Consumer" means a person that purchases or otherwise 791
enters into a transaction or agreement to receive an offering 792
pursuant to a demonstration by a sandbox participant. 793

(F) "Demonstrate" or "demonstration" means to temporarily 794
provide an offering in accordance with the provisions of the 795
universal regulatory sandbox program described in this chapter. 796

(G) "Innovation" means the use or incorporation of a new 797
idea, a new or emerging technology, or a new use of existing 798
technology to address a problem, provide a benefit, or otherwise 799
offer a product, production method, or service. 800

(H) "Innovative offering" means an offering that includes 801
an innovation. 802

(I) (1) "Product" means a commercially distributed good 803
that is all of the following: 804

(a) Tangible personal property; 805

<u>(b) The result of a production process;</u>	806
<u>(c) Passed through the distribution channel before consumption.</u>	807 808
<u>(2) "Product" does not include either of the following:</u>	809
<u>(a) Beer or wine, as defined in section 4301.01 of the Revised Code;</u>	810 811
<u>(b) Motor vehicles, as defined in section 4501.01 of the Revised Code.</u>	812 813
<u>(J) "Production" means the method or process of creating or obtaining a good, which may include assembling, breeding, capturing, collecting, extracting, fabricating, farming, fishing, gathering, growing, harvesting, hunting, manufacturing, mining, processing, raising, or trapping a good.</u>	814 815 816 817 818
<u>(K) "Sandbox participant" means a person whose application to participate in the universal regulatory sandbox is approved in accordance with this chapter.</u>	819 820 821
<u>(L) "Service" means any commercial activity, duty, or labor performed for another person, except for either of the following:</u>	822 823 824
<u>(1) The activities regulated by Title XLIII of the Revised Code to the extent that those activities pertain to the distribution or sale of beer or wine;</u>	825 826 827
<u>(2) The activities regulated by Chapter 4517. of the Revised Code.</u>	828 829
<u>Sec. 1357.02. (A) The common sense initiative office shall establish a universal regulatory sandbox program in consultation with applicable agencies to enable a person to obtain limited</u>	830 831 832

access to the market in this state to test products or services 833
without obtaining any other license or authorization that 834
otherwise would be required. 835

(B) The governor shall establish a regulatory relief 836
division within the common sense initiative office for the 837
purposes of administering this chapter and acting as a liaison 838
between private businesses and applicable agencies to identify 839
state laws or regulations that could potentially be waived or 840
suspended under the universal regulatory sandbox program. 841

(C) The regulatory relief division may do all of the 842
following: 843

(1) Identify state laws and regulations that unnecessarily 844
inhibit the creation and success of new companies or industries 845
in this state and provide recommendations to the governor and 846
the general assembly on modifying such state laws and 847
regulations; 848

(2) Create a framework for analyzing the risk level to the 849
health, safety, and financial well-being of consumers as a 850
result of permanently removing or temporarily waiving laws and 851
regulations that inhibit the creation or success of new and 852
existing companies or industries in this state; 853

(3) Propose potential reciprocity agreements between 854
states that use or are proposing to use similar universal 855
regulatory sandbox programs as described in this chapter or 856
Chapter 3755. of the Revised Code; 857

(4) Adopt rules in accordance with Chapter 119. of the 858
Revised Code as necessary to do either of the following: 859

(a) Administering the universal regulatory sandbox 860
program, including the application process and the reporting 861

<u>requirements of sandbox participants;</u>	862
<u>(b) Cooperating and consulting with the superintendent of</u>	863
<u>financial institutions respecting the regulatory sandbox program</u>	864
<u>authorized by Chapter 1355. of the Revised Code.</u>	865
<u>Sec. 1357.04. (A) The universal regulatory sandbox program</u>	866
<u>advisory committee is established within the common sense</u>	867
<u>initiative office. The committee shall advise and make</u>	868
<u>recommendations to the regulatory relief division as described</u>	869
<u>in this chapter.</u>	870
<u>(B) The committee shall consist of the following members:</u>	871
<u>(1) Six members who represent business interests from a</u>	872
<u>variety of industry clusters, appointed by the governor;</u>	873
<u>(2) Three members who represent state agencies that</u>	874
<u>regulate businesses, appointed by the governor;</u>	875
<u>(3) One member of the senate, appointed by the president</u>	876
<u>of the senate;</u>	877
<u>(4) One member of the house of representatives, appointed</u>	878
<u>by the speaker of the house of representatives.</u>	879
<u>(C) (1) Members of the committee shall be appointed not</u>	880
<u>later than thirty days after the effective date of this section.</u>	881
<u>Members of the committee serve at the pleasure of the member's</u>	882
<u>appointing authority. Any vacancy in the membership of the</u>	883
<u>committee shall be filled within sixty days after the vacancy</u>	884
<u>occurs in the same manner as the original appointment.</u>	885
<u>(2) Of the initial appointments made by the governor to</u>	886
<u>the committee:</u>	887
<u>(a) Three of the members described in division (B) (1) of</u>	888

this section and two of the members described in division (B)(2) 889
of this section shall serve for a term ending January 1, 2027; 890

(b) Three of the members described in division (B)(1) of 891
this section and one of the members described in division (B)(2) 892
of this section shall serve for a term ending January 1, 2029. 893

(3) After the initial appointments, terms for all members 894
appointed by the governor shall be four years, with each term 895
ending on the same day of the same month as did the term it 896
succeeds. 897

(4) Legislative members of the committee shall serve terms 898
of two years or for the remainder of the member's legislative 899
term, whichever is less. 900

(D) Members of the committee shall serve without 901
compensation but may be reimbursed for expenses actually 902
incurred in the performance of their duties, within the limits 903
of funds available to the committee for such purposes. 904

(E) The governor shall select a chairperson for the 905
committee on an annual basis. The committee shall meet at the 906
call of the chairperson. The initial meeting shall not be later 907
than thirty days after the last member is appointed. A majority 908
of the members of the committee constitutes a quorum for the 909
transaction of the business of the committee. 910

(F) The staff of the regulatory relief division shall 911
provide technical and administrative support as needed by the 912
committee. 913

(G) The committee is not a public body for the purposes of 914
section 121.22 of the Revised Code. 915

Sec. 1357.05. On or before October 1 of the first year 916

that begins after the effective date of this section, and 917
annually thereafter, the common sense initiative office shall 918
submit a written report on the activities of the regulatory 919
relief division to the general assembly in accordance with 920
section 101.68 of the Revised Code. The report shall include all 921
of the following: 922

(A) Information regarding each participant in the 923
universal regulatory sandbox program, including which industry 924
each participant represents and the anticipated or actual cost 925
savings that each participant experiences; 926

(B) Recommended changes to laws or regulations that the 927
regulatory relief division determines unnecessarily inhibit the 928
creation and success of new companies or industries; 929

(C) Information on the universal regulatory sandbox 930
program's impact on consumer outcomes; 931

(D) Recommended changes to the universal regulatory 932
sandbox program or the regulatory relief division. 933

Sec. 1357.06. (A) A person that seeks to participate in 934
the universal regulatory sandbox program shall apply to the 935
regulatory relief division in a form and manner prescribed by 936
the division. The application shall, at minimum, include all of 937
the following: 938

(1) Confirmation that the applicant is subject to the 939
jurisdiction of the common sense initiative office, which may be 940
demonstrated through incorporation, residency, an agreement with 941
the office by which the applicant agrees to be subject to the 942
laws and courts of this state relating to any action arising out 943
of the applicant's demonstration of a product or service in the 944
universal regulatory sandbox, or otherwise; 945

(2) Confirmation that the applicant has established a physical or virtual location in the state, from which the demonstration of an innovative offering will be developed and performed and where all required records, documents, and data will be maintained; 946
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(3) Relevant personal and contact information for the applicant, including legal names, addresses, telephone numbers, electronic mail addresses, web site addresses, and other information that may be required by the regulatory relief division; 951
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(4) Disclosure of criminal convictions, if any, of the applicant and other participating personnel; 956
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(5) A description of the innovative offering to be demonstrated, including statements regarding all of the following: 958
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(a) How the offering is subject to licensing, legal prohibition, or other authorization requirements outside of the universal regulatory sandbox; 961
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(b) Each law or regulation that the applicant seeks to have waived or suspended while participating in the universal regulatory sandbox program; 964
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966

(c) How the offering would benefit consumers; 967

(d) How the offering is different from other offerings available in this state; 968
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(e) What risks might exist for consumers that use or purchase the offering; 970
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(f) How participating in the regulatory sandbox would enable a successful demonstration of the offering; 972
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<u>(g) A description of the proposed demonstration plan,</u>	974
<u>including estimated time periods for beginning and ending the</u>	975
<u>demonstration;</u>	976
<u>(h) Recognition that the applicant will be subject to all</u>	977
<u>laws and regulations pertaining to the applicant's offering</u>	978
<u>after conclusion of the demonstration;</u>	979
<u>(i) How the applicant will end the demonstration and</u>	980
<u>protect consumers if the demonstration fails.</u>	981
<u>(6) A list of the state agencies that regulate the</u>	982
<u>applicant's business;</u>	983
<u>(7) Other information that may be required by the</u>	984
<u>regulatory relief division.</u>	985
<u>(B) The regulatory relief division shall, upon request,</u>	986
<u>consult with persons interested in participating in the</u>	987
<u>universal regulatory sandbox program and assist such persons in</u>	988
<u>preparing an application, including by helping to identify state</u>	989
<u>agencies that regulate the person's business and laws or</u>	990
<u>regulations that could have an adverse impact on the success of</u>	991
<u>that business and which the person may seek to have waived or</u>	992
<u>suspended while participating in the universal regulatory</u>	993
<u>sandbox program.</u>	994
<u>(C) The governor may require an application fee to offset</u>	995
<u>the costs of the regulatory relief division and the common sense</u>	996
<u>initiative office in administering the universal regulatory</u>	997
<u>sandbox program. All fees collected under this section shall be</u>	998
<u>deposited to the universal regulatory sandbox program fund,</u>	999
<u>which is created in the state treasury, and used for the</u>	1000
<u>purposes of this chapter.</u>	1001
<u>(D) An applicant shall file a separate application for</u>	1002

each innovative offering that the applicant seeks to 1003
demonstrate. 1004

(E) After an application is filed, the regulatory relief 1005
division shall do all of the following: 1006

(1) Keep confidential the contents of the application and 1007
any related information provided by the applicant; 1008

(2) Consult with each applicable government agency that 1009
regulates the applicant's business regarding the application and 1010
whether more information is needed from the applicant; 1011

(3) Seek any additional information from the applicant 1012
that the regulatory relief division determines is necessary. 1013

(F) Not later than five business days after the date a 1014
complete application is received by the regulatory relief 1015
division, the division shall do both of the following: 1016

(1) Review the application and refer it to each applicable 1017
state agency that regulates the applicant's business; 1018

(2) Provide the applicant with an acknowledgment of 1019
receipt of the application and the identity and contact 1020
information for each state agency to which the application has 1021
been referred for review. 1022

(G) Applications received under this section are not 1023
public records for the purposes of Chapter 149. of the Revised 1024
Code. 1025

Sec. 1357.07. (A) (1) Subject to division (A) (2) of this 1026
section, not later than thirty business days after the date on 1027
which an applicable agency receives a complete application under 1028
section 1357.06 of the Revised Code for review, the applicable 1029
agency shall provide a written report to the regulatory relief 1030

division of the applicable agency's findings. The report shall 1031
include both of the following: 1032

(a) A description of any identifiable, likely, and 1033
significant harm to the health, safety, or financial well-being 1034
of consumers that the law or regulation the applicant seeks to 1035
waive or suspend protects against; 1036

(b) A recommendation to the regulatory relief division 1037
that the applicant either be admitted or denied entrance into 1038
the universal regulatory sandbox. 1039

(2) The applicable agency may extend the deadline for 1040
delivering the written report required by division (A)(1) of 1041
this section by an additional five business days by providing 1042
notice of the extension to the regulatory relief division. The 1043
applicable agency shall not extend the deadline more than once 1044
for each application. 1045

(3) If the applicable agency recommends an applicant under 1046
this section be denied entrance into the universal regulatory 1047
sandbox, the written report shall include a description of the 1048
reasons for the recommendation, including why a temporary waiver 1049
or suspension of the relevant laws or regulations would 1050
potentially significantly harm the health, safety, or financial 1051
well-being of consumers or the public, or create unreasonable 1052
expenses for the taxpayers of this state, and the likelihood of 1053
such harm or expenses. 1054

(4) If the applicable agency determines that the 1055
consumer's or public's health, safety, or financial well-being 1056
can be protected through less restrictive means than the 1057
existing relevant laws or regulations, then the applicable 1058
agency shall provide a recommendation of how that may be 1059

achieved. 1060

(5) If an applicable agency fails to deliver a written report as required by this section, the regulatory relief division shall proceed as though the applicable agency does not object to the temporary waiver or suspension of the relevant laws or regulations for an applicant seeking to participate in the universal regulatory sandbox. 1061
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(B) The regulatory relief division shall immediately reject an application if any of the following apply: 1067
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(1) An applicable agency determines, in the agency's sole discretion, that the applicant's offering fails to comply with standards or specifications required by federal law or regulations; 1069
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(2) An applicable agency timely recommends that the applicant be denied entrance to the universal regulatory sandbox in the agency's written report under division (A) of this section and provides the applicant with the reasons for that determination in accordance with that division; 1073
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(3) The regulatory relief division determines that the applicant is better suited for the regulatory sandbox program authorized by Chapter 1355. of the Revised Code; 1078
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(4) The applicant or any person who seeks to participate with the applicant in demonstrating an offering has been convicted, entered a plea of nolo contendere, or entered a plea of guilty or nolo contendere held in abeyance, for any crime involving significant theft, fraud, or dishonesty. 1081
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(C) (1) The regulatory relief division shall provide all applications received under section 1357.06 of the Revised Code and written reports received under this section, other than 1086
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those rejected under division (B) of this section, to the 1089
universal regulatory sandbox program advisory committee. 1090

(2) The universal regulatory sandbox program advisory 1091
committee shall meet to review an application and any 1092
corresponding reports not less than thirty days, and not more 1093
than one hundred twenty days, after receiving the application 1094
from the regulatory relief division under division (C) (1) of 1095
this section. 1096

(3) Subject to divisions (C) (2) and (4) of this section, 1097
the universal regulatory sandbox program advisory committee 1098
shall meet not less than one time per calendar quarter. 1099

(4) The committee may cancel a meeting otherwise required 1100
by division (C) (3) of this section if no applications are 1101
available for review. 1102

(5) After reviewing an application and the corresponding 1103
reports of applicable agencies, the committee shall provide the 1104
governor and the common sense initiative office the committee's 1105
recommendation that the applicant either be admitted or denied 1106
entrance into the universal regulatory sandbox. 1107

(D) The universal regulatory sandbox program advisory 1108
committee shall consider all of the following in determining 1109
whether to recommend that an applicant be admitted to the 1110
universal regulatory sandbox: 1111

(1) Whether the applicable agency has previously issued a 1112
license or other authorization to the applicant; 1113

(2) Whether the applicable agency has previously 1114
investigated, sanctioned, or pursued legal action against the 1115
applicant; 1116

<u>(3) Whether a competitor to the applicant is or has been a</u>	1117
<u>universal regulatory sandbox participant;</u>	1118
<u>(4) Whether the applicant's plan adequately protects</u>	1119
<u>consumers from potential harm;</u>	1120
<u>(5) The risk of harm to consumers as compared to the</u>	1121
<u>potential benefits of the applicant's participation in the</u>	1122
<u>universal regulatory sandbox.</u>	1123
<u>(E) (1) The regulatory relief division, the common sense</u>	1124
<u>initiative office, or the governor may deny any application</u>	1125
<u>submitted under this chapter for any reason, including if the</u>	1126
<u>division, office, or governor determines that the preponderance</u>	1127
<u>of evidence demonstrates that suspending or waiving enforcement</u>	1128
<u>of a law or regulation would cause a significant risk of harm to</u>	1129
<u>consumers or residents of the state.</u>	1130
<u>(2) If the division, office, or governor denies an</u>	1131
<u>application under division (E) (1) or (B) of this section, the</u>	1132
<u>division shall provide to the applicant a written description of</u>	1133
<u>the reasons for not allowing the applicant to participate in the</u>	1134
<u>universal regulatory sandbox.</u>	1135
<u>(3) The division's, office's, or governor's determination</u>	1136
<u>to deny an application is final.</u>	1137
<u>Sec. 1357.08.</u> (A) (1) <u>Subject to division (B) of section</u>	1138
<u>1357.07 of the Revised Code, upon receiving a recommendation to</u>	1139
<u>approve an application from the universal regulatory sandbox</u>	1140
<u>program advisory committee, the regulatory relief division, in</u>	1141
<u>consultation with the governor, may enter into a written</u>	1142
<u>agreement with the applicant admitting the applicant to the</u>	1143
<u>universal regulatory sandbox and describing the specific laws</u>	1144
<u>and regulations that are waived or suspended as part of the</u>	1145

applicant's participation therein. 1146

(2) The sandbox participant may demonstrate the offering described in the sandbox participant's application, as described in the agreement, for five years following the date the agreement is entered. 1147
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(3) An agreement under this section that waives or suspends a law or regulation does so only with respect to consumers who are residents of this state. 1151
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(4) An agreement under this section does not restrict a sandbox participant that holds a license or other authorization in another state or jurisdiction from acting in accordance with that license or other authorization. 1154
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(B) The regulatory relief division shall not enter into a written agreement with an applicant that waives or suspends either of the following: 1158
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(1) Any tax levied by this state or a taxing authority of this state, as defined in section 5705.01 of the Revised Code; 1161
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(2) A law or regulation that allows a consumer to seek restitution in the event that the consumer is harmed. 1163
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(C) A sandbox participant is deemed to possess an appropriate license or other authorization under the laws of this state for the purposes of any provision of federal law requiring licensure or other authorization by the state. 1165
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(D) Subject to division (E) of this section, all of the following apply: 1169
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(1) During the demonstration period, a sandbox participant is not subject to the enforcement of state laws or regulations waived or suspended pursuant to the written agreement between 1171
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the regulatory relief division and the sandbox participant. 1174

(2) A prosecutor shall not file or pursue charges 1175
pertaining to a law or regulation waived or suspended pursuant 1176
to that agreement that occurs during the demonstration period. 1177

(3) A state agency shall not file or pursue any punitive 1178
action against a sandbox participant, including a fine or 1179
license suspension or revocation, for the violation of a law or 1180
regulation waived or suspended pursuant to that agreement that 1181
occurs during the demonstration period. 1182

(E) A sandbox participant does not have immunity related 1183
to any criminal offense committed during the sandbox 1184
participant's participation in the universal regulatory sandbox. 1185

(F) By written notice, the regulatory relief division may 1186
end a sandbox participant's participation in the universal 1187
regulatory sandbox at any time and for any reason, including if 1188
the division, the common sense initiative office, or the 1189
governor determines that a sandbox participant is not operating 1190
in good faith to bring an innovative offering to market. 1191

(G) Neither the regulatory relief division nor its 1192
employees are liable for any business losses or the recouping of 1193
application expenses or other expenses related to the regulatory 1194
sandbox, including either of the following: 1195

(1) Denying an applicant's application to participate in 1196
the universal regulatory sandbox for any reason; 1197

(2) Ending a sandbox participant's participation in the 1198
regulatory sandbox at any time and for any reason. 1199

Sec. 1357.09. (A) Before demonstrating an offering to a 1200
consumer, a sandbox participant shall disclose all of the 1201

<u>following to the consumer:</u>	1202
<u>(1) The name and contact information of the sandbox participant;</u>	1203
<u>(2) That the offering is authorized pursuant to the universal regulatory sandbox and, if applicable, that the sandbox participant does not have a license or other authorization to provide an offering under state laws that regulate offerings outside of the universal regulatory sandbox;</u>	1205
<u>(3) That the offering is undergoing testing and may not function as intended and may expose the consumer to certain risks as identified by the applicable agency's written report;</u>	1206
<u>(4) That the provider of the offering is not immune from civil liability for any losses or damages caused by the offering;</u>	1207
<u>(5) That the provider of the offering is not immune from criminal prosecution for violations of state law or regulations that are not suspended or waived as allowed by the universal regulatory sandbox;</u>	1208
<u>(6) That the offering is a temporary demonstration that may be discounted at the end of the demonstration period;</u>	1209
<u>(7) The expected end date of the demonstration period;</u>	1210
<u>(8) That a consumer may contact the regulatory relief division and file a complaint regarding the offering being demonstrated and provide the regulatory relief division's telephone number and web site address where a complaint may be filed.</u>	1211
<u>(B) The disclosures required by division (A) of this section shall be provided to a consumer in a clear and</u>	1212
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conspicuous form and, for an internet or application-based 1230
offering, a consumer shall acknowledge receipt of the disclosure 1231
before any transaction may be completed. 1232

(C) The regulatory relief division may require that a 1233
sandbox participant make additional disclosures to a consumer. 1234

Sec. 1357.10. (A) At least thirty days before the end of 1235
the demonstration period, a sandbox participant shall either 1236
seek an extension in accordance with section 1357.11 of the 1237
Revised Code or notify the regulatory relief division that the 1238
sandbox participant will exit the regulatory sandbox and 1239
discontinue the sandbox participant's demonstration after the 1240
day on which the demonstration period ends. 1241

(B) Subject to division (C) of this section, if the 1242
regulatory relief division does not receive the notification 1243
required by division (A) of this section, the regulatory sandbox 1244
demonstration period ends five years following the date the 1245
agreement described under section 1357.08 of the Revised Code is 1246
entered. 1247

(C) If a demonstration includes an offering that requires 1248
ongoing duties, the sandbox participant shall continue to 1249
fulfill those duties after the regulatory sandbox demonstration 1250
period ends. 1251

Sec. 1357.11. A sandbox participant may request an 1252
extension of the universal regulatory sandbox demonstration 1253
period not later than thirty days before the end of that period. 1254
The regulatory relief division shall grant or deny a request for 1255
an extension before the end of the demonstration period. If the 1256
regulatory relief division grants the request, the division 1257
shall specify the duration of the extension, which shall not be 1258

more than twelve months after the date the regulatory sandbox demonstration period would have otherwise ended. The regulatory relief division shall not approve more than three extensions, each having a duration of not more than twelve months, for the same sandbox participant respecting the same demonstration. 1259
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Sec. 1357.12. (A) A sandbox participant shall retain records, documents, and data produced in the ordinary course of business regarding an offering demonstrated in the universal regulatory sandbox. 1264
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(B) If a sandbox participant ceases to provide an offering before the end of a demonstration period, the sandbox participant shall notify the regulatory relief division and each applicable agency and report on actions taken by the sandbox participant to ensure consumers have not been harmed as a result. The regulatory relief division shall establish quarterly reporting requirements for a sandbox participant, including information about any consumer complaints. 1268
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(C) The regulatory relief division may request records, documents, and data from a sandbox participant and, upon the regulatory relief division's request, the sandbox participant shall make such records, documents, and data available for inspection by the regulatory relief division. 1276
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(D) The sandbox participant shall notify the regulatory relief division and each applicable agency of any incidents that result in harm to the health, safety, or financial well-being of a consumer. If a sandbox participant fails to notify the regulatory relief division and each applicable agency of any incidents as described in division (D) (1) of this section, or the regulatory relief division or an applicable agency has evidence that significant harm to a consumer has occurred, the 1281
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regulatory relief division may immediately remove the sandbox 1289
participant from the universal regulatory sandbox. 1290

(E) Not later than thirty days after the date on which a 1291
sandbox participant exits the regulatory sandbox, the sandbox 1292
participant shall submit a written report to the regulatory 1293
relief division and each applicable agency describing the 1294
sandbox participant's demonstration, including all of the 1295
following: 1296

(1) Any incidents of harm to consumers; 1297

(2) Any legal action filed against the sandbox participant 1298
as a result of the participant's demonstration; 1299

(3) Any complaints filed with an applicable agency as a 1300
result of the sandbox participant's demonstration. 1301

(F) Not later than thirty days after the date on which an 1302
applicable agency receives a quarterly reporting or written 1303
report from a sandbox participant as required by this section, 1304
the applicable agency shall provide a written report to the 1305
regulatory relief division on the demonstration that describes 1306
any statutory or regulatory reform the applicable agency 1307
recommends as a result of the demonstration. 1308

(G) The regulatory relief division may remove a sandbox 1309
participant from the universal regulatory sandbox at any time if 1310
the regulatory relief division determines that a sandbox 1311
participant has engaged in, is engaging in, or is about to 1312
engage in any practice or transaction that is in violation of 1313
this chapter or that constitutes a violation of a law or 1314
regulation for which suspension or waiver has not been granted. 1315

Sec. 1357.13. (A) The regulatory relief division shall 1316
create and maintain a publicly accessible page on the common 1317

sense initiative office's web site that invites residents and 1318
businesses in this state to make suggestions regarding laws and 1319
regulations that could be modified or eliminated to reduce the 1320
regulatory burden of residents and businesses in the state. 1321

(B) On at least a quarterly basis, the regulatory relief 1322
division shall compile the results of suggestions from the web 1323
page and provide a written report to the governor and the 1324
general assembly, in accordance with section 101.68 of the 1325
Revised Code, that describes the most common suggestions. 1326

(C) In creating the report, the regulatory relief division 1327
and the advisory committee shall ensure that private information 1328
of residents and businesses that make suggestions on the web 1329
page is not made public. The regulatory relief division may 1330
evaluate the suggestions and provide analysis and suggestions 1331
regarding which state laws and regulations could be modified or 1332
eliminated to reduce the regulatory burden of residents and 1333
businesses in the state while still protecting consumers. 1334

Sec. 3902.63. (A) On and after the effective date of this 1335
section, and notwithstanding section 3901.71 of the Revised 1336
Code, the cost-sharing requirement, on a per day basis, imposed 1337
by a health benefit plan for services rendered by an 1338
occupational therapist or physical therapist licensed under 1339
Chapter 4755. of the Revised Code or a chiropractor licensed 1340
under Chapter 4734. of the Revised Code shall not be greater 1341
than the cost-sharing requirement imposed by the plan for an 1342
office visit to a primary care physician or primary care 1343
osteopath physician licensed pursuant to Chapter 4731. of the 1344
Revised Code. 1345

(B) A health plan issuer shall clearly state on its web 1346
site and on all relevant literature that coverage for 1347

occupational therapy, physical therapy, and chiropractic 1348
services is available under the issuer's health benefit plans, 1349
as well as all related limitations, conditions, and exclusions. 1350

(C) A violation of this section shall be considered an 1351
unfair and deceptive practice in the business of insurance under 1352
sections 3901.19 to 3901.26 of the Revised Code. 1353

Sec. 5301.072. (A) No covenant, condition, or restriction 1354
set forth in a deed, and no rule, regulation, bylaw, or other 1355
governing document or agreement of a homeowners, neighborhood, 1356
civic, or other association, shall prohibit or be construed to 1357
prohibit any of the following: 1358

(1) The placement on any property of a flagpole that is to 1359
be used for the purpose of displaying the flag of the United 1360
States, the flag of the state as defined in section 5.01 of the 1361
Revised Code, or the national league of families POW/MIA flag 1362
provided the flag and flag pole shall be of an appropriate size, 1363
consistent with the size and character of the buildings that are 1364
subject to the requirements or agreements of a homeowner, 1365
neighborhood, civic, or other association; 1366

(2) The display on any property of the flag of the United 1367
States or the national league of families POW/MIA flag if the 1368
flag is displayed in accordance with any of the following: 1369

(a) The patriotic customs set forth in 4 U.S.C. 5-10, and 1370
36 U.S.C. 902 governing the display and use of the flag; 1371

(b) The consent of the property's owner or of any person 1372
having lawful control of the property; 1373

(c) The recommended flagpole standards set forth in "Our 1374
Flag," published pursuant to S.C.R. 61 of the 105th Congress, 1375
1st Session (1998); 1376

(d) Any federal law, proclamation of the president of the United States or the governor, section of the Revised Code, or local ordinance or resolution. 1377
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(3) The display on any property of the state flag as defined in section 5.01 of the Revised Code if the flag is displayed in accordance with any of the following: 1380
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(a) The consent of the property's owner or of any person having lawful control of the property; 1383
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(b) Any state law, local ordinance or resolution, or proclamation by the governor of the state. 1385
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(4) The display of a service flag approved by the United States secretary of defense for display in a window of the residence of a member of the immediate family of an individual serving in the armed forces of the United States. A service flag includes a blue star banner, a gold star banner, and any other flag the secretary of defense designates as a service flag. 1387
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(5) The display of political yard signs, if displayed in accordance with any state law, local ordinance or resolution, or a proclamation by the governor of the state. 1393
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(B) A covenant, condition, restriction, rule, regulation, bylaw, governing document, or agreement or a construction of any of these items that violates division (A) of this section is against public policy and unenforceable in any court of this state to the extent it violates that division. 1396
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(C) As used in this section, "political" means that a yard sign endorses a particular political candidate, party, or belief and does not violate section 2927.12 of the Revised Code or 18 U.S.C. 249. 1401
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Section 2. That existing sections 715.72 and 5301.072 of 1405
the Revised Code are hereby repealed. 1406