(132nd General Assembly)
(Amended Substitute House Bill Number 49)

# AN ACT

To amend sections 101.34, 102.02, 102.022, 102.03, 103.41, 103.42, 103.45, 103.47, 105.41, 106.042, 107.031, 107.35, 109.572, 109.5721, 109.71, 109.803, 109.91, 111.42, 111.43, 111.44, 111.45, 113.061, 117.46, 120.08, 120.33, 120.36, 121.40, 121.48, 122.01, 122.071, 122.08, 122.081, 122.17, 122.171, 122.174, 122.175, 122.33, 122.641, 122.85, 122.86, 122.98, 123.01, 123.20, 123.21, 124.384, 124.93, 125.035, 125.04, 125.061, 125.18, 125.22, 125.28, 126.11, 126.22, 126.35, 131.23, 131.33, 131.35, 131.44, 131.51, 133.022, 133.06, 133.061, 135.143, 135.182, 135.35, 135.45, 135.63, 135.71, 143.01, 147.541, 151.03, 152.08, 153.02, 154.11, 166.08, 166.11, 167.03, 173.01, 173.14, 173.15, 173.17, 173.19, 173.20, 173.21, 173.22, 173.24, 173.27, 173.28, 173.38, 173.381, 173.42, 173.424, 173.48, 173.51, 173.55, 173.99, 183.51, 191.04, 191.06, 305.05, 307.283, 307.678, 307.93, 307.984, 319.11, 319.26, 319.54, 321.26, 321.27, 321.37, 321.46, 323.01, 323.32, 329.03, 329.04, 329.051, 329.06, 340.03, 340.032, 340.033, 340.08, 341.12, 341.121, 341.25, 503.56, 505.94, 507.12, 507.13, 703.20, 703.21, 705.22, 713.01, 715.014, 718.01, 718.02, 718.06, 718.08, 718.27, 718.60, 725.01, 725.04, 733.44, 733.46, 733.78, 733.81, 763.01, 763.07, 901.04, 901.43, 909.10, 911.11, 924.01, 924.09, 927.55, 939.02, 940.15, 941.12, 941.55, 943.23, 947.06, 1121.10, 1121.24, 1123.01, 1123.03, 1155.07, 1155.10, 1163.09, 1163.13, 1181.06, 1349.21, 1503.05, 1503.141, 1504.02, 1505.09, 1506.23, 1509.02, 1509.07, 1509.071, 1509.71,

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The above boxed and initialed text was disapproved.

Date: 6/30/17

John R. Kasich, Governor

1513.18, 1513.20, 1513.25, 1513.27, 1513.28, 1513.30, 1513.31, 1513.32, 1513.33, 1513.37, 1514.03, 1514.051, 1514.06, 1514.071, 1514.10, 1514.11, 1514.41, 1514.46, 1521.06, 1521.063, 1531.01, 1531.06, 1533.10, 1533.11, 1533.12, 1547.73, 1561.14, 1561.16, 1561.17, 1561.18, 1561.19, 1561.20, 1561.21, 1561.22, 1561.26, 1561.45, 1561.46, 1561.48, 1711.51, 1711.53, 1721.01, 1721.10, 1733.04, 1733.24, 1751.72, 1751.75, 1923.12, 1923.13, 1923.14, 2151.34, 2151.353, 2151.417, 2151.43, 2151.49, 2301.56, 2305.113, 2329.211, 2329.271, 2329.31, 2329.311, 2329.44, 2329.66, 2743.75, 2903.213, 2903.214, 2919.26, 2923.1210, 2925.01, 2925.23, 2929.15, 2929.20, 2929.34, 2941.51, 2953.25, 2953.32, 2953.37, 2953.38, 2953.53, 2967.193, 3109.15, 3111.04, 3113.06, 3113.07, 3113.31, 3119.05, 3121.03, 3301.0710, 3301.0711, 3301.0712, 3301.0714, 3301.0715, 3301.16, 3302.01, 3302.03, 3302.151, 3303.20, 3304.11, 3304.12, 3304.14, 3304.15, 3304.17, 3304.171, 3304.18, 3304.182, 3304.19, 3304.20, 3304.21, 3304.22, 3304.27, 3304.28, 3304.29, 3304.30, 3304.31, 3304.41, 3309.23, 3309.374, 3309.661, 3310.16, 3310.52, 3310.522, 3311.06, 3311.751, 3311.86, 3313.372, 3313.411, 3313.413, 3313.46, 3313.5310, 3313.603, 3313.608, 3313.6012, 3313.6013, 3313.6023, 3313.612, 3313.618, 3313.6110, 3313.64, 3313.6410, 3313.713, 3313.717, 3313.751, 3313.813, 3313.89, 3313.902, 3313.978, 3314.016, 3314.03, 3314.08, 3314.26, 3316.20, 3317.01, 3317.013, 3317.014, 3317.017, 3317.02, 3317.021, 3317.022, 3317.024, 3317.025, 3317.028, 3317.0212, 3317.0218, 3317.06, 3317.16, 3318.01, 3318.011, 3318.02, 3318.021, 3318.022, 3318.024, 3318.03, 3318.031, 3318.032, 3318.033, 3318.034, 3318.035, 3318.036, 3318.04,

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Date: 6-30-17

John R. Kasich, Governor

3318.041, 3318.042, 3318.05, 3318.051, 3318.052, 3318.054, 3318.06, 3318.061, 3318.07, 3318.08, 3318.081, 3318.082, 3318.083, 3318.084, 3318.086, 3318.091, 3318.10, 3318.11, 3318.112, 3318.12, 3318.121, 3318.13, 3318.15, 3318.16, 3318.18, 3318.22, 3318.25, 3318.26, 3318.311, 3318.351, 3318.36, 3318.362, 3318.363, 3318.364, 3318.37, 3318.371, 3318.38, 3318.40, 3318.41, 3318.42, 3318.43, 3318.46, 3318.48, 3318.49, 3318.50, 3318.60, 3318.61, 3318.62, 3318.70, 3318.71, 3319.088, 3319.111, 3319.22, 3319.227, 3319.26, 3319.271, 3319.291, 3319.36, 3319.61, 3323.052, 3323.14, 3326.01, 3326.03, 3326.032, 3326.04, 3326.09, 3326.10, 3326.101, 3326.11, 3326.33, 3326.41, 3327.08, 3333.048, 3333.121, 3333.122, 3333.31, 3333.39, 3333.91, 3333.92, 3345.061, 3345.14, 3345.35, 3345.45, 3345.48, 3354.01, 3354.09, 3357.01, 3357.09, 3357.19, 3358.01, 3358.08, 3365.01, 3365.02, 3365.03, 3365.04, 3365.05, 3365.06, 3365.07, 3365.10, 3365.12, 3365.15, 3503.16, 3506.01, 3506.06, 3506.07, 3517.17, 3701.021, 3701.243, 3701.601, 3701.611, 3701.65, 3701.83, 3701.881, 3702.304, 3702.307, 3702.52, 3702.72, 3704.01, 3704.035, 3704.111, 3705.07, 3705.08, 3705.09, 3705.10, 3706.05, 3706.27, 3707.58, 3710.01, 3710.02, 3710.04, 3710.05, 3710.051, 3710.06, 3710.07, 3710.08, 3710.09, 3710.10, 3710.11, 3710.12, 3710.13, 3710.14, 3710.15, 3710.17, 3710.19, 3710.99, 3713.04, 3715.021, 3715.041, 3717.22, 3719.04, 3719.07, 3719.08, 3721.02, 3721.031, 3721.21, 3721.22, 3721.23, 3721.24, 3721.25, 3721.32, 3727.45, 3727.54, 3729.08, 3734.02, 3734.041, 3734.05, 3734.06, 3734.15, 3734.31, 3734.42, 3734.57, 3734.82, 3734.901, 3734.9011, 3735.31, 3735.33, 3735.40, 3735.41, 3735.66, 3735.661,

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Date: 6-30-17

John R. Kasich, Governor

3735.672, 3737.21, 3742.01, 3742.02, 3742.31, 3742.35, 3742.36, 3742.41, 3742.42, 3742.50, 3742.51, 3743.75, 3745.012, 3745.016, 3745.03, 3745.11, 3749.01, 3749.02, 3749.03, 3749.04, 3749.05, 3749.06, 3749.07, 3751.01, 3751.02, 3751.03, 3751.04, 3751.05, 3751.10, 3751.11, 3769.087, 3770.02, 3770.03, 3770.22, 3772.03, 3772.17, 3772.99, 3794.03, 3796.08, 3923.041, 3937.25, 3937.32, 4104.15, 4104.18, 4105.17, 4109.06, 4112.05, 4141.29, 4141.43, 4141.51, 4301.13, 4301.22, 4301.43, 4301.62, 4303.181, 4303.209, 4303.22, 4303.26, 4303.271, 4501.044, 4501.045, 4503.02, 4503.038, 4503.04, 4503.042, 4503.066, 4503.08, 4503.10, 4503.101, 4503.15, 4503.503, 4503.63, 4503.65, 4503.77, 4503.83, 4505.06, 4508.02, 4510.022, 4511.01, 4511.19, 4582.12, 4582.31, 4709.02, 4709.05, 4709.07, 4709.08, 4709.09, 4709.10, 4709.12, 4709.13, 4709.14, 4709.23, 4713.01, 4713.02, 4713.03, 4713.04, 4713.05, 4713.06, 4713.07, 4713.071, 4713.08, 4713.081, 4713.082, 4713.09, 4713.10, 4713.11, 4713.13, 4713.141, 4713.17, 4713.20, 4713.22, 4713.24, 4713.25, 4713.28, 4713.29, 4713.30, 4713.31, 4713.32, 4713.34, 4713.35, 4713.37, 4713.39, 4713.41, 4713.44, 4713.45, 4713.48, 4713.50, 4713.51, 4713.55, 4713.56, 4713.57, 4713.58, 4713.59, 4713.61, 4713.62, 4713.63, 4713.64, 4713.641, 4713.65, 4713.66, 4713.68, 4713.69, 4715.13, 4715.14, 4715.16, 4715.21, 4715.24, 4715.27, 4715.362, 4715.363, 4715.369, 4715.37, 4715.53, 4715.62, 4715.63, 4717.01, 4717.02, 4717.03, 4717.04, 4717.05, 4717.06, 4717.07, 4717.08, 4717.09, 4717.10, 4717.11, 4717.13, 4717.14, 4717.15, 4717.16, 4717.21, 4717.23, 4717.24, 4717.25, 4717.26, 4717.27, 4717.28, 4717.30, 4717.32, 4717.33, 4717.35, 4717.36, 4723.05, 4723.09, 4723.32, 4723.50, 4725.01,

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Date: 6-30-17

John R. Kasich, Governor

4725.02, 4725.04, 4725.05, 4725.06, 4725.07, 4725.08, 4725.09, 4725.091, 4725.092, 4725.10, 4725.11, 4725.12, 4725.121, 4725.13, 4725.15, 4725.16, 4725.17, 4725.171, 4725.18, 4725.19, 4725.20, 4725.21, 4725.22, 4725.23, 4725.24, 4725.26, 4725.27, 4725.28, 4725.29, 4725.31, 4725.33, 4725.34, 4725.40, 4725.41, 4725.411, 4725.44, 4725.48, 4725.49, 4725.50, 4725.501, 4725.51, 4725.52, 4725.53, 4725.531, 4725.54, 4725.55, 4725.57, 4725.61, 4729.01, 4729.06, 4729.08, 4729.09, 4729.11, 4729.12, 4729.13, 4729.15, 4729.16, 4729.51, 4729.52, 4729.53, 4729.54, 4729.552, 4729.56, 4729.561, 4729.57, 4729.571, 4729.58, 4729.59, 4729.60, 4729.61, 4729.62, 4729.67, 4729.75, 4729.77, 4729.78, 4729.80, 4729.82, 4729.83, 4729.84, 4729.85, 4729.86, 4730.05, 4730.40, 4731.051, 4731.056, 4731.07, 4731.071, 4731.081, 4731.091, 4731.092, 4731.10, 4731.14, 4731.142, 4731.143, 4731.15, 4731.22, 4731.221, 4731.222, 4731.223, 4731.224, 4731.225, 4731.23, 4731.24, 4731.25, 4731.26, 4731.281, 4731.282, 4731.291, 4731.292, 4731.293, 4731.294, 4731.295, 4731.296, 4731.298, 4731.299, 4731.341, 4731.36, 4731.41, 4731.43, 4731.51, 4731.52, 4731.531, 4731.56, 4731.573, 4731.60, 4731.61, 4731.65, 4731.66, 4731.67, 4731.68, 4731.76, 4731.82, 4731.85, 4736.01, 4736.02, 4736.03, 4736.05, 4736.06, 4736.07, 4736.08, 4736.09, 4736.10, 4736.11, 4736.12, 4736.13, 4736.14, 4736.15, 4736.17, 4736.18, 4743.05, 4745.01, 4745.02, 4745.04, 4747.04, 4747.05, 4747.06, 4747.07, 4747.08, 4747.10, 4747.11, 4747.12, 4747.13, 4747.14, 4747.16, 4747.17, 4749.031, 4751.03, 4751.04, 4751.10, 4751.14, 4751.99, 4752.01, 4752.03, 4752.04, 4752.05, 4752.06, 4752.08, 4752.09, 4752.11, 4752.12, 4752.13, 4752.14, 4752.15, 4752.17,

4752.18, 4752.19, 4752.20, 4753.05, 4753.06, 4753.07, 4753.071, 4753.072, 4753.073, 4753.08, 4753.09, 4753.091, 4753.10, 4753.101, 4753.11, 4753.12, 4753.15, 4753.16, 4759.02, 4759.05, 4759.06, 4759.061, 4759.07, 4759.08, 4759.09, 4759.10, 4759.11, 4759.12, 4761.03, 4761.031, 4761.04, 4761.05, 4761.051, 4761.06, 4761.07, 4761.08, 4761.09, 4761.10, 4761.11, 4761.12, 4761.13, 4761.14, 4761.18, 4762.14, 4765.01, 4765.02, 4776.01, 4776.02, 4776.04, 4776.20, 4779.02, 4779.08, 4779.09, 4779.091, 4779.10, 4779.11, 4779.12, 4779.13, 4779.15, 4779.17, 4779.18, 4779.20, 4779.21, 4779.22, 4779.23, 4779.24, 4779.25, 4779.26, 4779.27, 4779.28, 4779.29, 4779.30, 4779.31, 4779.32, 4779.33, 4779.34, 4781.04, 4781.07, 4781.121, 4905.02, 4906.01, 4906.10, 4906.13, 4911.021, 4921.01, 4921.19, 4921.21, 4923.02, 4923.99, 4927.13, 4928.01, 4928.64, 5101.09, 5101.16, 5101.17, 5101.18, 5101.181, 5101.184, 5101.20, 5101.201, 5101.214, 5101.23, 5101.241, 5101.26, 5101.27, 5101.28, 5101.32, 5101.33, 5101.35, 5101.36, 5101.61, 5101.802, 5107.05, 5107.10, 5108.01, 5117.10, 5119.01, 5119.22, 5119.221, 5119.34, 5119.363, 5119.41, 5119.47, 5120.035, 5120.22, 5120.55, 5122.32, 5123.01, 5123.377, 5123.378, 5123.38, 5123.46, 5123.47, 5123.60, 5124.15, 5124.25, 5126.0221, 5126.042, 5126.054, 5149.10, 5149.311, 5149.36, 5160.052, 5160.37, 5160.40, 5160.401, 5162.021, 5162.12, 5162.40, 5162.41, 5162.52, 5162.66, 5162.70, 5163.01, 5163.03, 5164.01, 5164.02, 5164.31, 5164.34, 5164.341, 5164.342, 5164.37, 5164.57, 5164.70, 5164.752, 5164.753, 5165.01, 5165.106, 5165.1010, 5165.15, 5165.151, 5165.153, 5165.154, 5165.157, 5165.16, 5165.17, 5165.19, 5165.192, 5165.21, 5165.23, 5165.25, 5165.34, 5165.37, 5165.41, 5165.42,

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Date: 6-30 17

John R. Kasich, Governor

5165.52, 5166.01, 5166.16, 5166.22, 5166.30, 5166.40, 5166.405, 5166.408, 5167.01, 5167.03, 5167.04, 5167.12, 5167.173, 5167.30, 5168.01, 5168.02, 5168.06, 5168.07, 5168.09, 5168.10, 5168.11, 5168.14, 5168.26, 5168.99, 5502.01, 5502.13, 5502.68, 5503.02, 5505.01, 5505.16, 5505.162, 5505.17, 5505.19, 5505.20, 5505.21, 5515.07, 5575.02, 5575.03, 5577.081, 5595.03, 5595.06, 5595.13, 5703.052, 5703.053, 5703.054, 5703.056, 5703.19, 5703.21, 5703.26, 5703.371, 5703.50, 5703.57, 5703.70, 5703.75, 5705.03, 5705.16, 5709.12, 5709.17, 5709.212, 5709.45, 5709.62, 5709.63, 5709.632, 5709.64, 5709.68, 5709.73, 5709.92, 5713.051, 5713.31, 5713.33, 5713.34, 5715.01, 5715.20, 5715.27, 5715.39, 5717.04, 5725.33, 5725.98, 5726.98, 5727.26, 5727.28, 5727.31, 5727.311, 5727.38, 5727.42, 5727.47, 5727.48, 5727.53, 5727.60, 5727.80, 5727.81, 5729.98, 5731.46, 5731.49, 5735.02, 5736.06, 5739.01, 5739.02, 5739.021, 5739.023, 5739.025, 5739.026, 5739.029, 5739.033, 5739.09, 5739.12, 5739.122, 5739.13, 5739.132, 5739.17, 5739.30, 5741.01, 5741.021, 5741.022, 5741.12, 5743.01, 5743.03, 5743.081, 5743.15, 5743.51, 5743.61, 5743.62, 5743.63, 5747.02, 5747.06, 5747.08, 5747.113, 5747.122, 5747.50, 5747.502, 5747.51, 5747.53, 5747.70, 5747.98, 5749.01, 5749.02, 5749.03, 5749.04, 5749.06, 5749.17, 5751.02, 5902.09, 5903.11, 5919.34, 5923.05, 6111.03, 6111.036, 6111.04, 6111.046, 6111.14, 6111.30, 6117.38, 6301.01, 6301.02, 6301.03, 6301.04, 6301.05, 6301.06, 6301.061, 6301.07, 6301.08, 6301.09, 6301.11, 6301.12, and 6301.18; to amend, for the purpose of adopting new section numbers as indicated in parentheses, sections 103.42 (103.416), 152.08 (123.011), 3742.49 (3742.44), 3742.50 (3742.45), 3742.51 (3742.46), 4731.081

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The above boxed and initialed text was disapproved.

Date: 6-30-77

John R. Kasich, Governor

(4731.08), 4731.091 (4731.09), and 4731.092 (4731.091);
to enact new sections 3742.43 and 5739.18 and sections
101.88, 101.881, 101.882, 101.89, 103.417, 103.43, JRK
107.036, 107.56, 109.112, 109.38, 109.381, 109.46,
122.15, 122.151, 122.152, 122.153, 122.154, 122.155, JRK
122.156, 125.03, 125.051, 125.32, 125.66, 125.661, JRK
126.071, 126.231, 135.77, 135.771, 135.772, 135.773,
135.774, 135.78, 147.542, 147.543, 166.50, 190.01, JRK
190.02, 313.132, 340.30, 503.70, 718.80, 718.81, 718.82, JRK
718.83, 718.84, 718.85, 718.851, 718.86, 718.87, 718.88,
718.89, 718.90, 718.91, 718.92, 718.93, 718.94, 718.95,
924.211, 1121.29, 1501.08, 2967.122, 3301.164, 3301.65, JRK
3311.27, 3313.5315, 3313.6112, 3313.6113, 3313.821,
3313.904, 3314.29, 3317.062, 3317.27, 3318.037, JRK
3318.39, 3318.421, 3323.022, 3332.071, 3333.0414, JRK
3333.0415, 3333.0416, 3333.051, 3333.166, 3333.45,
3333.94, 3333.951, 3345.025, 3345.062, 3345.57,
3345.58, 3345.59, 3347.091, 3365.091, 3701.12,
3701.144, 3701.916, 3715.08, 3729.14, 3734.578,
3745.018, 3745.45, 3901.90, 4303.051, 4501.07,
4504.201, 4511.513, 4717.051, 4717.41, 4723.51,
4723.52, 4725.031, 4725.032, 4725.63, 4725.64, 4725.65,
4725.66, 4725.67, 4729.021, 4729.23, 4729.24, 4729.772,
4730.55, 4730.56, 4731.04, 4731.83, 4744.02, 4744.07,
4744.10, 4744.12, 4744.14, 4744.16, 4744.18, 4744.20,
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4744.50, 4744.54, 4745.021, 4747.051, 4751.043,
4751.044, 4752.22, 4752.24, 4753.061, 4759.011,
4759.051, 4761.011, 4761.032, 4779.35, 4781.281,
4781.56, 4781.57, 5101.074, 5116.01, 5116.02, 5116.03,
5116.06, 5116.10, 5116.11, 5116.12, 5116.20, 5116.21,
5116.22, 5116.23, 5116.24, 5116.25, 5119.011, 5119.19,

The above boxed and initialed text was disapproved.
Date: 6-30-17
John R. Kasich, Governor

5119.48, 5119.89, 5120.68, 5149.38, 5153.113, 5162.16, 5162.65, 5163.15, 5164.021, 5164.10, 5164.29, 5164.69, JRK 5164.761, 5164.78, 5165.36, 5165.361, 5166.37, 5166.38, JRK 5167.18, 5167.34, 5168.75, 5168.76, 5168.761, 5168.77, JRK 5168.78, 5168.79, 5168.80, 5168.81, 5168.82, 5168.83, 5168.84, 5168.85, 5168.86, 5501.91, 5502.1321, 5516.20, JRK 5703.0510, 5709.101, 5709.48, 5709.49, 5709.50, 5747.031, 5747.503, 5747.504, 5748.10, 5902.20, JRK 5907.17, 5907.18, 6111.561, 6111.562, 6111.563, 6111.564, 6301.111, 6301.112, 6301.20, and 6301.21; to repeal sections 123.27, 152.01, 152.02, 152.04, 152.05, 152.06, 152.07, 152.09, 152.091, 152.10, 152.11, 152.12, 152.13, 152.14, 152.15, 152.16, 152.17, 152.18, 152.19, 152.21, 152.22, 152.23, 152.24, 152.241, 152.242, 152.26, 152.27, 152.28, 152.31, 152.32, 152.33, 173.53, 330.01, 330.02, 330.04, 330.05, 330.07, 340.091, 759.24, 763.02, 763.05, 901.90, 921.60, 921.61, 921.62, 921.63, 921.64, 921.65, 1181.16, 1181.17, 1181.18, 1501.022, 1506.24, 1513.181, 3301.28, 3317.018, 3317.019, 3317.026, 3317.027, 3318.19, 3318.30, 3318.31, 3319.223, 3333.13, 3704.144, 3706.26, 3712.042, JRK 3719.02, 3719.021, 3719.03, 3719.031, 3727.33, 3727.331, 3727.34, 3727.35, 3727.36, 3727.37, 3727.38, 3727.39, 3727.391, 3727.40, 3727.41, 3734.821, 3742.43, 3742.44, 3742.45, 3742.46, 3742.47, 3742.48, 3772.032, 4709.04, 4709.06, 4709.26, 4709.27, 4725.03, 4725.42, 4725.43, 4725.45, 4725.46, 4725.47, 4729.14, 4731.08, 4731.09, 4731.11, 4731.12, 4731.13, 4731.141, 4731.29, 4731.53, 4731.54, 4731.55, 4731.57, 4731.571, 4736.04, 4736.16, 4747.03, 4753.03, 4753.04, 4759.03, 4759.04, 4761.02, 4761.15, 4761.16, 4779.05, 4779.06, 4779.07, 4779.16, 4921.15, 4921.16, 5115.01, 5115.02, 5115.03,

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John R. Kasich, Governor

5115.04, 5115.05, 5115.06, 5115.07, 5115.20, 5115.22, 5115.23, 5162.54, 5166.13, 5739.18, 5747.056, 6111.033, and 6111.40 of the Revised Code; to amend the version of section 5735.07 of the Revised Code that is scheduled to take effect January 1, 2018; to amend sections 102.02, 109.572, 111.15, 119.01, 121.07, 131.11, 135.03, 135.032, 135.182, 135.32, 135.321, 135.51, 135.52, 135.53, 323.134, 339.06, 513.17, 749.081, 755.141, 902.01, 924.10, 924.26, 924.45, 1101.01, 1101.02, 1101.03, 1101.15, 1101.16, 1103.01, 1103.02, 1103.03, 1103.06, 1103.07, 1103.08, 1103.09, 1103.11, 1103.13, 1103.14, 1103.15, 1103.16, 1103.18, 1103.19, 1103.20, 1103.21, 1105.01, 1105.02, 1105.03, 1105.04, 1105.08, 1105.10, 1105.11, 1107.03, 1107.05, 1107.07, 1107.09, 1107.11, 1107.13, 1107.15, 1109.01, 1109.02, 1109.03, 1109.05, 1109.08, 1109.10, 1109.15, 1109.16, 1109.17, 1109.22, 1109.23, 1109.24, 1109.25, 1109.26, 1109.31, 1109.32, 1109.33, 1109.34, 1109.35, 1109.36, 1109.39, 1109.40, 1109.43, 1109.44, 1109.45, 1109.47, 1109.48, 1109.49, 1109.53, 1109.54, 1109.55, 1109.59, 1109.61, 1109.63, 1109.64, 1109.65, 1109.69, 1111.01, 1111.02, 1111.03, 1111.04, 1111.06, 1111.07, 1111.08, 1111.09, 1113.01, 1113.03, 1113.05, 1113.06, 1113.08, 1113.09, 1115.01, 1115.05, 1115.06, 1115.07, 1115.11, 1115.111, 1115.14, 1115.15, 1115.20, 1115.23, 1115.27, 1117.01, 1117.02, 1117.04, 1117.05, 1119.11, 1119.17, 1119.23, 1119.26, 1121.01, 1121.02, 1121.05, 1121.06, 1121.10, 1121.12, 1121.13, 1121.15, 1121.16, 1121.17, 1121.18, 1121.21, 1121.23, 1121.24, 1121.26, 1121.30, 1121.33, 1121.34, 1121.38, 1121.41, 1121.43, 1121.45, 1121.47, 1121.48, 1121.50, 1121.56, 1123.01, 1123.03, 1125.01, 1125.03, 1125.04, 1125.05, 1125.06, 1125.09, 1125.10,

1125.11, 1125.12, 1125.13, 1125.14, 1125.17, 1125.18, 1125.19, 1125.20, 1125.21, 1125.22, 1125.23, 1125.24, 1125.25, 1125.26, 1125.27, 1125.28, 1125.29, 1125.30, 1125.33, 1181.01, 1181.02, 1181.03, 1181.04, 1181.05, 1181.06, 1181.07, 1181.10, 1181.11, 1181.21, 1181.25, 1349.16, 1509.07, 1509.225, 1510.09, 1514.04, 1707.03, 1901.31, 2335.25, 3351.07, 3767.41, 4303.293, and 5814.01; to amend, for the purpose of adopting new section numbers as shown in parentheses, sections 1103.01 (1113.01), 1103.06 (1113.04), 1103.08 (1113.12), 1103.09 (1113.13), 1103.11 (1113.11), 1103.13 (1113.14), 1103.14 (1113.15), 1103.15 (1113.16), 1103.16 (1113.17), 1103.21 (1117.07), and 1113.01 (1113.02); to enact new section 1121.52 and sections 1101.05, 1103.99, 1109.021, 1109.04, 1109.151, 1109.441, 1109.62, 1114.01, 1114.02, 1114.03, 1114.04, 1114.05, 1114.06, 1114.07, 1114.08, 1114.09, 1114.10, 1114.11, 1114.12, 1114.16, 1115.02, 1115.03, 1115.24, 1116.01, 1116.02, 1116.05, 1116.06, 1116.07, 1116.08, 1116.09, 1116.10, 1116.11, 1116.12, 1116.13, 1116.16, 1116.18, 1116.19, 1116.20, 1116.21, 1121.19, and 1121.29; and to repeal sections 1105.06, 1107.01, 1109.60, 1115.18, 1115.19, 1115.25, 1121.52, 1133.01, 1133.02, 1133.03, 1133.04, 1133.05, 1133.06, 1133.07, 1133.08, 1133.09, 1133.10, 1133.11, 1133.12, 1133.13, 1133.14, 1133.15, 1133.16, 1151.01, 1151.02, 1151.03, 1151.04, 1151.05, 1151.051, 1151.052, 1151.053, 1151.06, 1151.07, 1151.08, 1151.081, 1151.09, 1151.091, 1151.10, 1151.11, 1151.12, 1151.13, 1151.14, 1151.15, 1151.16, 1151.17, 1151.18, 1151.19, 1151.191, 1151.192, 1151.20, 1151.201, 1151.21, 1151.22, 1151.23, 1151.231, 1151.24, 1151.25, 1151.26, 1151.27, 1151.28, 1151.29,

1151.291, 1151.292, 1151.293, 1151.294, 1151.295, 1151.296, 1151.297, 1151.298, 1151.299, 1151.2910, 1151.2911, 1151.30, 1151.31, 1151.311, 1151.312, 1151.32, 1151.321, 1151.323, 1151.33, 1151.34, 1151.341, 1151.342, 1151.343, 1151.344, 1151.345, 1151.346, 1151.347, 1151.348, 1151.349, 1151.35, 1151.36, 1151.361, 1151.37, 1151.38, 1151.39, 1151.40, 1151.41, 1151.411, 1151.42, 1151.44, 1151.45, 1151.46, 1151.47, 1151.471, 1151.48, 1151.49, 1151.51, 1151.52, 1151.53, 1151.54, 1151.55, 1151.60, 1151.61, 1151.62, 1151.63, 1151.64, 1151.66, 1151.71, 1151.72, 1151.99, 1153.03, 1153.05, 1153.06, 1153.07, 1153.99, 1155.01, 1155.011, 1155.02, 1155.021, 1155.03, 1155.05, 1155.07, 1155.071, 1155.08, 1155.09, 1155.091, 1155.10, 1155.11, 1155.12, 1155.15, 1155.16, 1155.17, 1155.18, 1155.20, 1155.21, 1155.23, 1155.24, 1155.25, 1155.26, 1155.27, 1155.28, 1155.31, 1155.35, 1155.37, 1155.41, 1155.42, 1155.43, 1155.44, 1155.45, 1155.46, 1155.47, 1157.01, 1157.03, 1157.04, 1157.05, 1157.06, 1157.09, 1157.10, 1157.11, 1157.12, 1157.13, 1157.14, 1157.17, 1157.18, 1157.19, 1157.20, 1157.21, 1157.22, 1157.23, 1157.24, 1157.25, 1157.26, 1157.27, 1157.28, 1157.29, 1157.30, 1157.33, 1161.01, 1161.02, 1161.03, 1161.04, 1161.05, 1161.06, 1161.07, 1161.071, 1161.08, 1161.09, 1161.10, 1161.11, 1161.111, 1161.12, 1161.13, 1161.14, 1161.15, 1161.16, 1161.17, 1161.18, 1161.19, 1161.20, 1161.21, 1161.22, 1161.23, 1161.24, 1161.25, 1161.26, 1161.27, 1161.28, 1161.29, 1161.30, 1161.31, 1161.32, 1161.33, 1161.34, 1161.35, 1161.36, 1161.37, 1161.38, 1161.39, 1161.40, 1161.41, 1161.42, 1161.43, 1161.44, 1161.441, 1161.45, 1161.46, 1161.47, 1161.48, 1161.49, 1161.50, 1161.51, 1161.52, 1161.53, 1161.54, 1161.55, 1161.56,

1161.57, 1161.58, 1161.59, 1161.60, 1161.601, 1161.61, 1161.62, 1161.63, 1161.631, 1161.64, 1161.65, 1161.66, 1161.67, 1161.68, 1161.69, 1161.70, 1161.71, 1161.72, 1161.73, 1161.74, 1161.75, 1161.76, 1161.77, 1161.78, 1161.79, 1161.80, 1161.81, 1163.01, 1163.02, 1163.03, 1163.04, 1163.05, 1163.07, 1163.09, 1163.10, 1163.11, 1163.12, 1163.121, 1163.13, 1163.14, 1163.15, 1163.19, 1163.20, 1163.21, 1163.22, 1163.24, 1163.25, 1163.26, 1163.27, 1165.01, 1165.03, 1165.04, 1165.05, 1165.06, 1165.09, 1165.10, 1165.11, 1165.12, 1165.13, 1165.14, 1165.17, 1165.18, 1165.19, 1165.20, 1165.21, 1165.22, 1165.23, 1165.24, 1165.25, 1165.26, 1165.27, 1165.28, 1165.29, 1165.30, 1165.33, 1181.16, 1181.17, and 3333.93 of the Revised Code; to amend sections 173.501, 173.521, 173.542, 1347.08, 2317.54, 4715.36, 5101.60, 5101.61, 5101.611, 5101.612, 5101.62, 5101.622, 5101.63, 5101.64, 5101.65, 5101.66, 5101.67, 5101.68, 5101.69, 5101.691, 5101.692, 5101.70, 5101.71, 5101.72, 5101.99, 5123.61, and 5126.31; to amend, for the purpose of adopting new section numbers as indicated in parentheses, sections 5101.61 (5101.63), 5101.611 (5101.64), 5101.612 (5101.631), 5101.62 (5101.65), 5101.622 (5101.652), 5101.63 (5101.651), 5101.64 (5101.66), 5101.65 (5101.68), 5101.66 (5101.681), 5101.67 (5101.682), 5101.68 (5101.69), 5101.69 (5101.70), 5101.691 (5101.701), 5101.692 (5101.702), 5101.70 (5101.71), 5101.71 (5101.61), and 5101.72 (5101.611); to enact new section 5101.62 and sections 5101.632, 5101.73, 5101.74, and 5101.741; and to repeal section 5101.621 of the Revised Code; to amend sections 1923.02, 3781.06, 4505.181, 4781.04, 4781.06, 4781.07, 4781.08, 4781.09, 4781.10, 4781.11, 4781.12, 4781.121,

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John R. Kasich, Governor

4781.14, 4781.17, 4781.18, 4781.19, 4781.20, 4781.21, 4781.22, 4781.23, 4781.25, 4781.26, 4781.27, 4781.28, 4781.29, 4781.31, 4781.32, 4781.33, 4781.34, 4781.35, 4781.37, 4781.38, 4781.39, and 4781.45; to enact new sections 4781.02 and 4781.54 and section 4781.011; and to repeal sections 4781.02, 4781.03, 4781.05, 4781.13, 4781.54, and 4781.55 of the Revised Code; to amend sections 329.04 and 2329.66 of the Revised Code effective December 31, 2017; to repeal the version of section 118.023 of the Revised Code that is scheduled to take effect September 29, 2017; to amend sections 109.572, 3701.83, 4713.10, 4713.56, 4731.07, 4731.224, and 4776.01 of the Revised Code effective January 21, 2018; to amend section 5101.61 and to amend, for the purpose of adopting a new section number as indicated in parentheses, section 5101.61 (5101.63) of the Revised Code effective one year after the effective date of this act; to repeal section 5166.35 of the Revised Code effective January 1, 2019; to amend for the purpose of codifying and changing the number of Section 369.540 of Am. Sub. H.B. 64 of the 131st General Assembly to section 3333.95 of the Revised Code; to amend for the purpose of codifying and changing the number of Section 529.10 of S.B. 310 of the 131st General Assembly to section 123.211 of the Revised Code; to amend Sections 205.10, 205.20, and 812.50 of Sub. H.B. 26 of the 132nd General Assembly, Sections 125.13 and 327.270 of Am. Sub. H.B. 64 of the 131st General Assembly, Section 253.330 of Am. Sub. S.B. 260 of the 131st General Assembly, Sections 207.440, 213.10, 213.20, 217.10, 221.20, 223.50, 227.10, 229.10, 229.30, and 229.40 of S.B. 310 of the 131st General Assembly, Sections 203.10,

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207.290, 221.10, 223.10, and 239.10 of S.B. 310 of the 131st General Assembly, as subsequently amended, Sections 125.10 and 125.11 of Am. Sub. H.B. 59 of the 130th General Assembly, as subsequently amended, Section 2 of Am. Sub. S.B. 1 of the 130th General Assembly, as subsequently amended, Section 3 of Sub. S.B. 9 of the 130th General Assembly, and Section 7 of Sub. H.B. 532 of the 129th General Assembly, as subsequently amended; to repeal Section 7 of Am. Sub. H.B. 52 of the 131st General Assembly and Section 745.20 of Sub. H.B. 26 of the 132nd General Assembly; and to repeal Section 757.120 of the act effective August 10, 2018 to make operating appropriations for the biennium beginning July 1, 2017, and ending June 30, 2019, and to provide authorization and conditions for the operation of state programs.

*Be it enacted by the General Assembly of the State of Ohio:*

SECTION 101.01. That sections 101.34, 102.02, 102.022, 102.03, 103.41, 103.42, 103.45, 103.47, 105.41, 106.042, 107.031, 107.35, 109.572, 109.5721, 109.71, 109.803, 109.91, 111.42, 111.43, 111.44, 111.45, 113.061, 117.46, 120.08, 120.33, 120.36, 121.40, 121.48, 122.01, 122.071, 122.08, 122.081, 122.17, 122.171, 122.174, 122.175, 122.33, 122.641, 122.85, 122.86, 122.98, 123.01, 123.20, 123.21, 124.384, 124.93, 125.035, 125.04, 125.061, 125.18, 125.22, 125.28, 126.11, 126.22, 126.35, 131.23, 131.33, 131.35, 131.44, 131.51, 133.022, 133.06, 133.061, 135.143, 135.182, 135.35, 135.45, 135.63, 135.71, 143.01, 147.541, 151.03, 152.08, 153.02, 154.11, 166.08, 166.11, 167.03, 173.01, 173.14, 173.15, 173.17, 173.19, 173.20, 173.21, 173.22, 173.24, 173.27, 173.28, 173.38, 173.381, 173.42, 173.424, 173.48, 173.51, 173.55, 173.99, 183.51, 191.04, 191.06, 305.05, 307.283, 307.678, 307.93, 307.984, 319.11, 319.26, 319.54, 321.26, 321.27, 321.37, 321.46, 323.01, 323.32, 329.03, 329.04, 329.051, 329.06, 340.03, 340.032, 340.033, 340.08, 341.12, 341.121, 341.25, 503.56, 505.94, 507.12, 507.13, 703.20, 703.21, 705.22, 713.01, 715.014, 718.01, 718.02,

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718.06, 718.08, 718.27, 718.60, 725.01, 725.04, 733.44, 733.46, 733.78, 733.81, 763.01, 763.07, 901.04, 901.43, 909.10, 911.11, 924.01, 924.09, 927.55, 939.02, 940.15, 941.12, 941.55, 943.23, 947.06, 1121.10, 1121.24, 1123.01, 1123.03, 1155.07, 1155.10, 1163.09, 1163.13, 1181.06, 1349.21, 1503.05, 1503.141, 1504.02, 1505.09, 1506.23, 1509.02, 1509.07, 1509.071, 1509.71, 1513.18, 1513.20, 1513.25, 1513.27, 1513.28, 1513.30, 1513.31, 1513.32, 1513.33, 1513.37, 1514.03, 1514.051, 1514.06, 1514.071, 1514.10, 1514.11, 1514.41, 1514.46, 1521.06, 1521.063, 1531.01, 1531.06, 1533.10, 1533.11, 1533.12, 1533.32, 1547.73, 1561.14, 1561.16, 1561.17, 1561.18, 1561.19, 1561.20, 1561.21, 1561.22, 1561.26, 1561.45, 1561.46, 1561.48, 1711.51, 1711.53, 1721.01, 1721.10, 1733.04, 1733.24, 1751.72, 1751.75, 1923.12, 1923.13, 1923.14, 2151.34, 2151.353, 2151.417, 2151.43, 2151.49, 2301.56, 2329.211, 2329.271, 2329.31, 2329.311, 2329.44, 2329.66, 2743.75, 2903.213, 2903.214, 2919.26, 2923.1210, 2925.01, 2925.23, 2929.15, 2929.20, 2929.34, 2941.51, 2953.25, 2953.32, 2953.37, 2953.38, 2953.53, 2967.193, 3109.15, 3111.04, 3113.06, 3113.07, 3113.31, 3119.05, 3121.03, 3301.0710, 3301.0711, 3301.0712, 3301.0714, 3301.0715, 3301.16, 3302.01, 3302.03, 3302.151, 3303.20, 3304.11, 3304.12, 3304.14, 3304.15, 3304.17, 3304.171, 3304.18, 3304.182, 3304.19, 3304.20, 3304.21, 3304.22, 3304.27, 3304.28, 3304.29, 3304.30, 3304.31, 3304.41, 3309.23, 3309.374, 3309.661, 3310.16, 3310.52, 3310.522, 3311.06, 3311.751, 3311.86, 3313.372, 3313.411, 3313.413, 3313.46, 3313.5310, 3313.603, 3313.6012, 3313.6013, 3313.6023, 3313.612, 3313.618, 3313.6110, 3313.64, 3313.6410, 3313.713, 3313.717, 3313.751, 3313.813, 3313.89, 3313.902, 3313.978, 3314.016, 3314.03, 3314.08, 3314.26, 3316.20, 3317.01, 3317.013, 3317.014, 3317.017, 3317.02, 3317.021, 3317.022, 3317.024, 3317.025, 3317.028, 3317.0212, 3317.0218, 3317.06, 3317.16, 3318.01, 3318.011, 3318.02, 3318.021, 3318.022, 3318.024, 3318.03, 3318.031, 3318.032, 3318.033, 3318.034, 3318.035, 3318.036, 3318.04, 3318.041, 3318.042, 3318.05, 3318.051, 3318.052, 3318.054, 3318.06, 3318.061, 3318.07, 3318.08, 3318.081, 3318.082, 3318.083, 3318.084, 3318.086, 3318.091, 3318.10, 3318.11, 3318.112, 3318.12, 3318.121, 3318.13, 3318.15, 3318.16, 3318.18, 3318.22, 3318.25, 3318.26, 3318.311, 3318.351, 3318.36, 3318.362, 3318.363, 3318.364, 3318.37, 3318.371, 3318.38, 3318.40, 3318.41, 3318.42, 3318.43, 3318.46, 3318.48, 3318.49, 3318.50, 3318.60, 3318.61, 3318.62, 3318.70, 3318.71, 3319.088, 3319.111, 3319.22, 3319.227, 3319.26, 3319.271, 3319.291, 3319.36, 3319.61, 3323.052, 3323.14, 3326.01, 3326.03, 3326.032, 3326.04, 3326.09, 3326.10, 3326.101, 3326.11, 3326.33, 3326.41, 3327.08, 3333.048, 3333.121,

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6301.20, and 6301.21 of the Revised Code be enacted to read as follows:

Sec. 101.34. (A) There is hereby created a joint legislative ethics committee to serve the general assembly. The committee shall be composed of twelve members, six each from the two major political parties, and each member shall serve on the committee during the member's term as a member of that general assembly. Six members of the committee shall be members of the house of representatives appointed by the speaker of the house of representatives, not more than three from the same political party, and six members of the committee shall be members of the senate appointed by the president of the senate, not more than three from the same political party. A vacancy in the committee shall be filled for the unexpired term in the same manner as an original appointment. The members of the committee shall be appointed within fifteen days after the first day of the first regular session of each general assembly and the committee shall meet and proceed to recommend an ethics code not later than thirty days after the first day of the first regular session of each general assembly.

In the first regular session of each general assembly, the speaker of the house of representatives shall appoint the chairperson of the committee from among the house members of the committee, and the president of the senate shall appoint the vice-chairperson of the committee from among the senate members of the committee. In the second regular session of each general assembly, the president of the senate shall appoint the chairperson of the committee from among the senate members of the committee, and the speaker of the house of representatives shall appoint the vice-chairperson of the committee from among the house members of the committee. The chairperson, vice-chairperson, and members of the committee shall serve until their respective successors are appointed or until they are no longer members of the general assembly.

The committee shall meet at the call of the chairperson or upon the written request of seven members of the committee.

(B) The joint legislative ethics committee:

(1) Shall recommend a code of ethics that is consistent with law to govern all members and employees of each house of the general assembly and all candidates for the office of member of each house;

(2) May receive and hear any complaint that alleges a breach of any privilege of either house, or misconduct of any member, employee, or candidate, or any violation of the appropriate code of ethics;

(3) May obtain information with respect to any complaint filed pursuant to this section and to that end may enforce the attendance and testimony of

121.63, and 121.64 of the Revised Code.

(D) The chairperson of the joint legislative ethics committee shall issue a written report, not later than the thirty-first day of January of each year, to the speaker and minority leader of the house of representatives and to the president and minority leader of the senate that lists the number of committee meetings and investigations the committee conducted during the immediately preceding calendar year and the number of advisory opinions it issued during the immediately preceding calendar year.

(E) Any investigative report that contains facts and findings regarding a complaint filed with the joint legislative ethics committee and that is prepared by the staff of the committee or a special counsel to the committee shall become a public record upon its acceptance by a vote of the majority of the members of the committee, except for any names of specific individuals and entities contained in the report. If the committee recommends disciplinary action or reports its findings to the appropriate prosecuting authority for proceedings in prosecution of the violations alleged in the complaint, the investigatory report regarding the complaint shall become a public record in its entirety.

(F)(1) Any file obtained by or in the possession of the former house ethics committee or former senate ethics committee shall become the property of the joint legislative ethics committee. Any such file is confidential if either of the following applies:

(a) It is confidential under section 102.06 of the Revised Code or the legislative code of ethics.

(b) If the file was obtained from the former house ethics committee or from the former senate ethics committee, it was confidential under any statute or any provision of a code of ethics that governed the file.

(2) As used in this division, "file" includes, but is not limited to, evidence, documentation, or any other tangible thing.

(G) There is hereby created in the state treasury the joint legislative ethics committee investigative and financial disclosure fund. Investment earnings of the fund shall be credited to the fund. ~~Money in~~ All moneys credited to the fund shall be used solely for ~~the operations~~ expenses related to the investigative and financial disclosure functions of the committee ~~in conducting investigations~~.

Sec. 101.88. (A) The departments enumerated in divisions (B) and (C) of this section shall periodically be reviewed by the general assembly.

(B) The following departments shall be reviewed during each even-numbered general assembly:

(1) The office of budget and management;

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(2) The department of administrative services;
(3) The department of agriculture;
(4) The department of health;
(5) The department of public safety;
(6) The department of developmental disabilities;
(7) The development services agency;
(8) The department of rehabilitation and correction;
(9) The department of aging;
(10) The department of medicaid;
(11) The office of the adjutant general;
(12) The department of higher education.

(C) The following departments shall be reviewed during each odd-numbered general assembly:
(1) The department of commerce;
(2) The department of transportation;
(3) The department of natural resources;
(4) The department of job and family services;
(5) The department of mental health and addiction services;
(6) The department of insurance;
(7) The department of youth services;
(8) The environmental protection agency;
(9) The department of veterans services;
(10) The office of health transformation;
(11) The public utilities commission;
(12) The department of taxation.

(D) The general assembly may abolish, terminate, or transfer a department by no other means except by the enactment of a law, and may provide by law for the orderly, efficient, and expeditious conclusion of a department's business and operation. The rules, orders, licenses, contracts, and other actions made, taken, granted, or performed by the department shall continue in effect according to their terms notwithstanding the department's abolition, unless the general assembly provides otherwise by law. The general assembly may provide by law for the temporary or permanent transfer of some or all of a terminated or transferred department's functions and personnel to a successor department, board, or officer.

The abolition, termination, or transfer of a department shall not cause the termination or dismissal of any claim pending against the department by any person, or any claim pending against any person by the department. Unless the general assembly provides otherwise by law for the substitution of parties, the attorney general shall succeed the department with reference

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to any pending claim.

Sec. 101.881. (A) Not later than three months after the commencement of a general assembly during which a department is scheduled to be reviewed under division (B) or (C) of section 101.88 of the Revised Code, the president of the senate and the speaker of the house of representatives each shall direct a standing committee of the senate and of the house of representatives, respectively, to hold hearings to receive the testimony of the public and of the chief executive officer of the department and otherwise shall review, consider, and evaluate the usefulness, performance, and effectiveness of the department. The president of the senate and the speaker of the house of representatives may defer the review of a department until the next general assembly during which the department is subject to review. A department whose review has been deferred shall be reviewed, without the option for deferment, during the next general assembly during which the department is subject to review under division (B) or (C) of section 101.88 of the Revised Code.

(B) The president of the senate and the speaker of the house of representatives may direct a standing committee of the senate and of the house of representatives, respectively, to hold hearings to receive the testimony of the public and of the chief executive officer of a department that is not scheduled to be reviewed under division (B) or (C) of section 101.88 of the Revised Code, and otherwise may review, consider, and evaluate the usefulness, performance, and effectiveness of the department.

(C) Each department that is scheduled for review and each department that is identified to be reviewed by a standing committee shall submit to the standing committee a report that contains all of the following information:

(1) The department's primary purpose and its various goals and objectives;

(2) The department's past and anticipated workload, the number of staff required to complete that workload, and the department's total number of staff;

(3) The department's past and anticipated budgets and its sources of funding.

(D) Each department shall have the burden of demonstrating to the standing committee a public need for its continued existence. In determining whether a department has demonstrated that need, the standing committee shall consider, as relevant, all of the following:

(1) Whether or not the public could be protected or served in an alternate or less restrictive manner;

(2) Whether or not the department serves the public interest rather than

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a specific interest;

(3) Whether or not rules adopted by the department are consistent with the legislative mandate of the department as expressed in the statutes that created and empowered the department;

(4) The extent to which the department's jurisdiction and programs overlap or duplicate those of other departments, the extent to which the department coordinates with those other departments, and the extent to which the department's programs could be consolidated with the programs of other state departments;

(5) Whether or not continuation of the department is necessary to protect the health, safety, or welfare of the public, and if so, whether or not the department's authority is narrowly tailored to protect against present, recognizable, and significant harms to the health, safety, or welfare of the public;

(6) The amount of regulation exercised by the department compared to such regulation, if any, in other states;

(7) Whether or not alternative means or methods can be used to improve efficiency and customer service to assist the department in the performance of its duties;

(8) Whether or not the operation of the department has inhibited economic growth, reduced efficiency, or increased the cost of government;

(9) An assessment of the authority of the department regarding fees, inspections, enforcement, and penalties;

(10) The extent to which the department has permitted qualified applicants to serve the public;

(11) The cost-effectiveness of the department in terms of number of employees, services rendered, and administrative costs incurred, both past and present;

(12) Whether or not the department's operation has been impeded or enhanced by existing statutes and procedures and by budgetary, resource, and personnel practices;

(13) Whether the department has recommended statutory changes to the general assembly that would benefit the public as opposed to the persons regulated by the department, if any, and whether its recommendations and other policies have been adopted and implemented;

(14) Whether the department has required any persons it regulates to report to it the impact of department rules and decisions on the public as they affect service costs and service delivery;

(15) Whether persons regulated by the department, if any, have been required to assess problems in their business operations that affect the

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public;

(16) Whether the department has encouraged public participation in its rule-making and decision-making;

(17) The efficiency with which formal public complaints filed with the department have been processed to completion;

(18) Whether the programs or services of the department duplicate or overlap those of other departments;

(19) Whether the purpose for which the department was created has been fulfilled, has changed, or no longer exists;

(20) Whether federal law requires that the department be renewed in some form;

(21) An assessment of the administrative hearing process of a department if the department has an administrative hearing process;

(22) Any applicable criteria under division (E) of this section;

(23) Changes needed in the enabling laws of the department in order for it to comply with the criteria suggested by the considerations listed in divisions (D)(1) to (22) of this section.

(E) In the review of a department that issues a license to practice a trade or profession, the standing committee shall consider all of the following:

(1) Whether the requirement for the license serves a meaningful, defined public interest and provides the least restrictive form of regulation that adequately protects the public interest;

(2) The extent to which the objective of licensing may be achieved through market forces, private or industry certification and accreditation programs, or enforcement of other existing laws;

(3) The extent to which licensing ensures that practitioners have occupational skill sets or competencies that correlate with a public interest, and the impact that those criteria have on applicants for a license, particularly those with moderate or low incomes, seeking to enter the occupation or profession;

(4) The extent to which the requirement for the license stimulates or restricts competition, affects consumer choice, and affects the cost of services.

As used in division (E) of this section:

"Least restrictive form of regulation" means the public policy of relying on one of the following, listed from the least to the most restrictive, as a means of consumer protection: market competition; third-party or consumer-created ratings and reviews; private certification; specific private civil cause of action to remedy consumer harm; actions under Chapter 1345. of the Revised Code; regulation of the process of providing the specific

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goods or services to consumers; inspection; bonding or insurance; registration; government certification; specialty occupational license for medical reimbursement; and occupational license. "Specialty occupational license for medical reimbursement" means a nontransferable authorization in law for an individual to provide identified medical services and qualify for payment or reimbursement from a government agency based on meeting personal qualifications established in law.

"License" means a license, certificate, permit, or other authorization issued or conferred by a department or board under which a person may engage in a profession, occupation, or occupational activity.

For purposes of division (E) of this section, a government regulatory requirement is in the public interest if it provides protection from present, recognizable, and significant harms to the health, safety, or welfare of the public.

Sec. 101.882. The president of the senate and the speaker of the house of representatives shall notify the chief of the common sense initiative office, established under section 107.61 of the Revised Code, when a department is identified under division (A) or (B) of section 101.881 of the Revised Code to be reviewed by a standing committee. The chief or the chief's designee shall appear and testify before the standing committee, with respect to the department, and shall testify on at least all of the following:

(A) Whether or not the common sense initiative office has, within the previous five years, received commentary related to the department through the comment system established under section 107.62 of the Revised Code;

(B) Whether or not the common sense initiative office has, within the previous five years, received advice from the small business advisory council with respect to rules of the department;

(C) Any other information the chief believes will elucidate the effectiveness and efficiency of the department and in particular the quality of customer service provided by the department.

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Sec. 101.89. After the completion of the evaluation review of a department under section 101.881 of the Revised Code, the standing committee that conducted the review may prepare and publish a report of its findings and recommendations. A standing committee may include in a single report its findings and recommendations regarding more than one department. If the standing committee prepares and publishes a report, the committee shall furnish a copy of the report to the clerk of the house of representatives or the clerk of the senate, as the case may be. The clerk shall furnish a copy of the report to the president of the senate, the speaker of the house of representatives, the governor, and each affected department. The

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clerk shall make any published report available to the public on the internet web site of the general assembly. JRK

Sec. 102.02. (A)(1) Except as otherwise provided in division (H) of this section, all of the following shall file with the appropriate ethics commission the disclosure statement described in this division on a form prescribed by the appropriate commission: every person who is elected to or is a candidate for a state, county, or city office and every person who is appointed to fill a vacancy for an unexpired term in such an elective office; all members of the state board of education; the director, assistant directors, deputy directors, division chiefs, or persons of equivalent rank of any administrative department of the state; the president or other chief administrative officer of every state institution of higher education as defined in section 3345.011 of the Revised Code; the executive director and the members of the capitol square review and advisory board appointed or employed pursuant to section 105.41 of the Revised Code; all members of the Ohio casino control commission, the executive director of the commission, all professional employees of the commission, and all technical employees of the commission who perform an internal audit function; the individuals set forth in division (B)(2) of section 187.03 of the Revised Code; the chief executive officer and the members of the board of each state retirement system; each employee of a state retirement board who is a state retirement system investment officer licensed pursuant to section 1707.163 of the Revised Code; the members of the Ohio retirement study council appointed pursuant to division (C) of section 171.01 of the Revised Code; employees of the Ohio retirement study council, other than employees who perform purely administrative or clerical functions; the administrator of workers' compensation and each member of the bureau of workers' compensation board of directors; the bureau of workers' compensation director of investments; the chief investment officer of the bureau of workers' compensation; all members of the board of commissioners on grievances and discipline of the supreme court and the ethics commission created under section 102.05 of the Revised Code; every business manager, treasurer, or superintendent of a city, local, exempted village, joint vocational, or cooperative education school district or an educational service center; every person who is elected to or is a candidate for the office of member of a board of education of a city, local, exempted village, joint vocational, or cooperative education school district or of a governing board of an educational service center that has a total student count of twelve thousand or more as most recently determined by the department of education pursuant to section 3317.03 of the Revised Code; every person who is

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section 3772.01 of the Revised Code.

(M) A member of the Ohio casino control commission, the executive director of the commission, or an employee of the commission shall not:

(1) Accept anything of value, including but not limited to a gift, gratuity, emolument, or employment from a casino operator, management company, or other person subject to the jurisdiction of the commission, or from an officer, attorney, agent, or employee of a casino operator, management company, or other person subject to the jurisdiction of the commission;

(2) Solicit, suggest, request, or recommend, directly or indirectly, to a casino operator, management company, or other person subject to the jurisdiction of the commission, or to an officer, attorney, agent, or employee of a casino operator, management company, or other person subject to the jurisdiction of the commission, the appointment of a person to an office, place, position, or employment;

(3) Participate in casino gaming or any other amusement or activity at a casino facility in this state or at an affiliate gaming facility of a licensed casino operator, wherever located.

In addition to the penalty provided in section 102.99 of the Revised Code, whoever violates division (M)(1), (2), or (3) of this section forfeits the individual's office or employment.

Sec. 103.41. (A) As used in sections 103.41 to ~~103.415~~ 103.417 of the Revised Code: JRK

(1) "JMOC" means the joint medicaid oversight committee created under this section.

(2) "State and local government medicaid agency" means all of the following:

(a) The department of medicaid;

(b) The office of health transformation;

(c) Each state agency and political subdivision with which the department of medicaid contracts under section 5162.35 of the Revised Code to have the state agency or political subdivision administer one or more components of the medicaid program, or one or more aspects of a component, under the department's supervision;

(d) Each agency of a political subdivision that is responsible for administering one or more components of the medicaid program, or one or more aspects of a component, under the supervision of the department or a state agency or political subdivision described in division (A)(2)(c) of this section.

(B) There is hereby created the joint medicaid oversight committee.

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~~implemented.~~

~~(C) Beginning July 1, 2018, the committee~~ Code. When the inclusion of the services in the system begins to be implemented, JMOC on a periodic basis shall monitor the department's inclusion of the services in the system.

Sec. 103.417. Before the department of medicaid or another state agency with which the department has entered into a contract under section 5162.35 of the Revised Code to administer one or more components of the medicaid program or one or more aspects of a component implements a proposal to increase, by rule or otherwise, the medicaid payment rate for a medicaid service, the department or other state agency shall submit the proposal to JMOC. This applies regardless of whether the proposal involves a change to the method by which the medicaid payment rate is to be determined or specifies the actual amount of the rate increase. If the proposal is to be implemented in whole or in part by rule, the department or other state agency shall include with the proposal a copy of the proposed rule as filed in final form under section 119.04 of the Revised Code.

Not later than thirty days after the date a proposal is submitted to JMOC under this section, JMOC shall do both of the following:

(A) Conduct a public hearing on the proposal;

(B) For purposes of section 5164.69 of the Revised Code, vote on whether to permit or prohibit implementation of the proposal.

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Sec. 103.43. (A) As used in this section:

(1) "Care management system" means the system established under section 5167.03 of the Revised Code.

(2) "Integrated care delivery system" has the same meaning as in section 5164.01 of the Revised Code.

(3) "Long-term care services" means both of the following:

(a) Home and community-based services available under medicaid waiver components as defined in section 5166.01 of the Revised Code;

(b) Nursing facility services as defined in section 5165.01 of the Revised Code.

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(B) If the general assembly enacts legislation authorizing the inclusion of long-term care services in the care management system beyond the inclusion of those services that have been implemented under the integrated care delivery system, the patient-centered medicaid long-term care delivery system advisory committee shall be created effective on the date that the act authorizing the inclusion takes effect. All of the following shall serve as members of the committee:

(1) Two members of the house of representatives who chair committees of the house of representatives to which legislation concerning medicaid is

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commonly referred, appointed by the speaker of the house of representatives;

(2) Two members of the senate who chair committees of the senate to which legislation concerning medicaid is commonly referred, appointed by the senate president;

(3) The executive director of the office of health transformation or the executive director's designee;

(4) The medicaid director or the director's designee;

(5) The director of aging or the director's designee;

(6) The director of health or the director's designee;

(7) The state long-term care ombudsman or the ombudsman's designee;

(8) One representative of each of the following organizations, appointed by the chief executive of the organization:

(a) Leadingage Ohio;

(b) The academy of senior health sciences;

(c) The Ohio aging advocacy coalition;

(d) The Ohio assisted living association;

(e) The Ohio association of health plans;

(f) The Ohio association of area agencies on aging;

(g) The Ohio council for home care and hospice;

(h) The Ohio health care association;

(i) The Ohio Olmstead task force;

(j) The universal health care action network Ohio;

(k) AARP Ohio;

(l) The center for community solutions.

(C) Members of the committee shall serve without compensation or reimbursement, except to the extent that serving on the committee is part of their usual job duties.

(D) The speaker of the house of representatives shall appoint one of the members described in division (B)(1) of this section as the committee's co-chairperson. The senate president shall appoint one of the members described in division (B)(2) of this section to serve as the committee's other co-chairperson. The employees of the joint medicaid oversight committee shall provide the committee any administrative assistance the committee needs. The department of medicaid shall provide the committee updates about the inclusion of long-term care services in the care management system.

(E) The committee shall advise the joint medicaid oversight committee on projects that measure improvements to the delivery of long-term care services to medicaid recipients and periodically recommend to the medicaid

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director policy changes intended to make additional improvements. Each quarter, the committee shall complete a report regarding its work. The reports shall be submitted to the general assembly in accordance with section 101.68 of the Revised Code and to the joint medicaid oversight committee. JRK

Sec. 103.45. (A) The joint education oversight committee of the house of representatives and senate is hereby created. The committee shall authorize a plan of work, which shall include research, review, study, and analysis of current or emerging education policy issues important to the state, the available policy options to address such issues, and the available data and research to support such analysis and options.

(B) The committee also may select, for review and evaluation, education programs at school districts, other public schools, and state institutions of higher education that receive state financial assistance in any form. The reviews and evaluations may include any of the following:

(1) Assessment of the uses school districts, other public schools, and state institutions of higher education make of state money they receive, and a determination of the extent to which that money improves student, district, school, or institutional performance in the areas for which the money was intended to be used;

(2) Determination of whether an education program meets its intended goals, has adequate operating or administrative procedures and fiscal controls, encompasses only authorized activities, has any undesirable or unintended effects, and is efficiently managed; and JRK

(3) Examination of pilot programs developed and initiated in school districts, at other public schools, and at state institutions of higher education to determine whether the programs suggest innovative, effective ways to deal with problems that may exist in other districts, schools, or institutions of higher education, or to create opportunities for success, and to assess the fiscal costs and likely impact of adopting the programs throughout the state.

(C) The committee may prepare a report of the results of each review and evaluation it conducts, make recommendations to the general assembly and transmit the report and its recommendations to the general assembly under section 101.68 of the Revised Code. It also may submit the report and its recommendations to the chairpersons and members of the standing committees of the house of representatives and the senate principally responsible for education policy.

(D)(1) When the department of education proposes changes in the full-time equivalency enrollment review and audit manual required to be submitted to the committee under section 3301.65 of the Revised Code,

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upon submission of the manual and the proposed changes, the committee shall hold one or more public hearings at which school districts and schools may present testimony on their ability and capacity to comply with the proposed standards, procedures, timelines, and other requirements contained within the manual.

(2) Not later than the fifteenth day of June of each year the department proposes changes in that manual, the committee shall vote to determine whether districts and schools can reasonably comply with the proposed standards, procedures, timelines, and other requirements related to review or audit of full-time equivalency student enrollment reporting. If the committee determines that districts and schools cannot reasonably comply, the proposed manual shall not become effective, and the department shall use the prior year's standards, procedures, timelines, and other requirements when reviewing or auditing full-time equivalency student enrollment reporting.

(3) Not later than the first day of July each year in which the committee determines that schools are reasonably capable of compliance with proposed changes in the standards, procedures, timelines, and other requirements contained within the manual, the committee shall prepare a report comparing the prior year's standards, procedures, timelines, and other requirements with the newest standards, procedures, timelines, and other requirements and a summary of the testimony submitted in the public hearings held pursuant to division (D)(1) of this section to the general assembly in accordance with section 101.68 of the Revised Code.

(E) If the general assembly directs the joint education oversight committee to submit a study to the general assembly by a particular date, the committee, upon a majority vote of its members, may modify the scope and due date of the study to accommodate the availability of data and resources.

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Sec. 103.47. The joint education oversight committee chairperson may, subject to approval by the speaker of the house of representatives or the speaker's designee and the president of the senate or the president's designee, employ professional, technical, and clerical employees as are necessary for the joint education oversight committee to be able successfully and efficiently to perform its duties. All the employees are in the unclassified service and ~~serve at the committee's pleasure~~ may be terminated by the chairperson, subject to approval of the speaker or the speaker's designee and president or the president's designee. The committee may contract for the services of persons who are qualified by education and experience to advise, consult with, or otherwise assist the committee in the performance of its duties.

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this section, the treasurer of state shall notify the tax commissioner of such failure if the treasurer of state determines that such failure was not due to reasonable cause or was due to willful neglect, and shall provide the tax commissioner with any information used in making that determination. The tax commissioner may assess an additional charge as specified in the respective section of the Revised Code governing the requirement to remit taxes by electronic funds transfer.

The treasurer of state may implement means of acknowledging, upon the request of a taxpayer, receipt of tax remittances made by electronic funds transfer, and may adopt rules governing acknowledgments. The cost of acknowledging receipt of electronic remittances shall be paid by the person requesting acknowledgment.

The treasurer of state, not the tax commissioner, is responsible for resolving any problems involving electronic funds transfer transmissions.

Sec. 117.46. Each ~~biennium~~ odd-numbered general assembly the auditor of state shall conduct a minimum of four performance audits under this section. Except as otherwise provided in this section, at least two of the audits shall be of state agencies selected from ~~a list comprised of~~ the ~~administrative~~ departments listed in division (B) of section ~~121.02~~ 101.88 of the Revised Code and the department of education and at least two of the audits shall be of other state agencies. ~~At~~ These performance audits shall be completed before the end of the general assembly and shall be made available to the standing committee directed to conduct the review under section 101.88 of the Revised Code during the subsequent general assembly.

Each even-numbered general assembly the auditor of state shall conduct a minimum of four performance audits under this section. Except as otherwise provided in this section, at least two of the audits shall be of state agencies selected from the departments listed in division (C) of section 101.88 of the Revised Code and the department of education and at least two of the audits shall be of other state agencies. These performance audits shall be completed before the end of the general assembly and shall be made available to the standing committee directed to conduct the review under section 101.88 of the Revised Code during the subsequent general assembly.

At the auditor of state's discretion, the auditor of state may conduct a performance audit of a state institution of higher education as one of the four ~~required~~ performance audits required during a general assembly. The offices of the attorney general, auditor of state, governor, secretary of state, and treasurer of state and agencies of the legislative and judicial branches are not subject to an audit under this section.

The auditor shall select each agency or institution to be audited and

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shall determine whether to audit the entire agency or institution or a portion of the agency or institution by auditing one or more programs, offices, boards, councils, or other entities within that agency or institution. The auditor shall make the selection and determination in consultation with the governor and the speaker and minority leader of the house of representatives and president and minority leader of the senate.

An audit of a portion of an agency or institution shall be considered an audit of one agency or institution. The authority to audit a portion of an agency or institution in no way limits the auditor's ability to audit an entire agency or institution if it is in the best interest of the state.

The performance audits under this section shall be conducted pursuant to sections 117.01 and 117.13 of the Revised Code. In conducting a performance audit, the auditor of state shall determine the scope of the audit, but shall consider, if appropriate, supervisory and subordinate level operations in the agency or institution. A performance audit under this section shall not include review or evaluation of an institution's academic performance.

As used in this section and in sections 117.461, 117.462, 117.463, 117.47, 117.471, and 147.472 of the Revised Code, "state institution of higher education" has the meaning defined in section 3345.011 of the Revised Code.

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Sec. 120.08. There is hereby created in the state treasury the indigent defense support fund, consisting of money paid into the fund pursuant to sections 4507.45, 4509.101, 4510.22, and 4511.19 of the Revised Code and pursuant to sections 2937.22, 2949.091, and 2949.094 of the Revised Code out of the additional court costs imposed under those sections. The state public defender shall use at least ~~eighty-eight~~ eighty-three per cent of the money in the fund for the purposes of reimbursing county governments for expenses incurred pursuant to sections 120.18, 120.28, and 120.33 of the Revised Code and operating its system pursuant to division (C)(7) of section 120.04 of the Revised Code and division (B) of section 120.33 of the Revised Code. Disbursements from the fund to county governments shall be made at least once per year and shall be allocated proportionately so that each county receives an equal percentage of its total cost for operating its county public defender system, its joint county public defender system, its county appointed counsel system, or its system operated under division (C)(7) of section 120.04 of the Revised Code and division (B) of section 120.33 of the Revised Code. The state public defender may use not more than ~~twelve~~ seventeen per cent of the money in the fund for the purposes of appointing assistant state public defenders, providing other personnel,

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annual report to the governor and the general assembly. The inspector general also shall provide a copy of the annual report to any other person who requests the copy and pays a fee prescribed by the inspector general. The fee shall not exceed the cost of reproducing and delivering the annual report.

Sec. 122.01. (A) As used in the Revised Code, the "department of development" means the development services agency and the "director of development" means the director of development services. Whenever the department or director of development is referred to or designated in any statute, rule, contract, grant, or other document, the reference or designation shall be deemed to refer to the development services agency or director of development services, as the case may be.

(B) As used in this chapter:

(1) "Community problems" includes, but is not limited to, taxation, fiscal administration, governmental structure and organization, intergovernmental cooperation, education and training, employment needs, community planning and development, air and water pollution, public safety and the administration of justice, housing, mass transportation, community facilities and services, health, welfare, recreation, open space, and the development of human resources.

(2) "Edison center network" means the six cooperative, industry-connected, nonprofit organizations that have met all of the following criteria:

(a) Historically received funding under the Thomas Alva Edison grant program;

(b) Been in existence at least fifteen years as of the effective date of the amendment of this section;

(c) Experience delivering technical and networking services to Ohio manufacturers.

(3) "Professional personnel" means either of the following:

(a) Personnel who have earned a bachelor's degree from a college or university;

(b) Personnel who serve as or have the working title of director, assistant director, deputy director, assistant deputy director, manager, office chief, assistant office chief, or program director.

~~(3)~~(4) "Technical personnel" means any of the following:

(a) Personnel who provide technical assistance according to their job description or in accordance with the Revised Code;

(b) Personnel employed in the director of development services' office or the legal office, communications office, finance office, legislative affairs

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office, or human resources office of the development services agency;

(c) Personnel employed in the technology division of the agency.

Sec. 122.071. (A) The TourismOhio advisory board is hereby established to advise the director of development services and the director of the office of TourismOhio on strategies for promoting tourism in this state. The board shall consist of the chief investment officer of the nonprofit corporation formed under section 187.01 of the Revised Code or the chief investment officer's designee, the director of the office of TourismOhio, and nine members to be appointed by the governor as provided in division (B) of this section. All members of the board, except the director of the office of TourismOhio, shall be voting members.

(B)(1) The governor shall, within sixty days after ~~the effective date of this section~~ September 28, 2012, appoint to the TourismOhio advisory board one individual who is a representative of convention and visitors' bureaus, one individual who is a representative of the lodging industry, one individual who is a representative of the restaurant industry, one individual who is a representative of attractions, one individual who is a representative of special events and festivals, one individual who is a representative of agritourism, and three individuals who are representatives of the tourism industry. Of the initial appointments, two individuals shall serve a term of one year, three individuals shall serve a term of two years, and the remainder shall serve a term of three years. Thereafter, terms of office shall be for three years. Each individual appointed to the board shall be a United States citizen.

(2) For purposes of division (B)(1) of this section, an individual is a "representative of the tourism industry" if the individual possesses five years or more executive-level experience in the attractions, lodging, restaurant, transportation, or retail industry or five years or more executive-level experience with a destination marketing organization.

(C)(1) Each member of the TourismOhio advisory board shall hold office from the date of the member's appointment until the end of the term for which the member is appointed. Vacancies that occur on the board shall be filled in the manner prescribed for regular appointments to the board. A member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall hold office for the remainder of that predecessor's term. A member shall continue in office subsequent to the expiration date of the member's term until the member's successor takes office or until sixty days have elapsed, whichever occurs first. Any member appointed to the board is eligible for reappointment.

(2) The governor shall designate one member of the board as

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requests it and pays a single copy price or subscription rate fixed by the office. The office shall furnish the chairpersons of the standing committees of the senate and house of representatives having jurisdiction over small businesses with free subscriptions to the small business register.

(C) Upon the request of the office of small business and entrepreneurship, the director of administrative services shall, in accordance with the competitive selection procedure of Chapter 125. of the Revised Code, let a contract for the compilation, printing, and distribution of the small business register.

(D) The office of small business and entrepreneurship shall adopt, and may amend or rescind, in accordance with Chapter 119. of the Revised Code, such rules as are necessary to enable it to properly carry out this section.

Sec. 122.15. As used in this section and sections 122.151 to 122.156 of the Revised Code:

(A) "Affiliate" means a person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with another person. For the purposes of this division, a person is "controlled by" another person if the controlling person holds, directly or indirectly, the majority voting or ownership interest in the controlled person or has control over the day-to-day operations of the controlled person by contract or by law.

(B) "Closing date" means the date on which a rural business and high-growth industry fund has collected all of the amounts specified by divisions (G)(1) and (2) of section 122.151 of the Revised Code.

(C) "Credit-eligible capital contribution" means an investment of cash by a person subject to the tax imposed by section 3901.86, 5725.18, 5726.02, 5729.03, or 5729.06 of the Revised Code in a rural business and high-growth industry fund that equals the amount specified on a notice of tax credit allocation issued by the development services agency under division (F)(2) of section 122.151 of the Revised Code. The investment shall purchase an equity interest in the fund or purchase, at par value or premium, a debt instrument issued by the fund that meets all of the following criteria:

(1) The debt instrument has an original maturity date of at least five years after the date of issuance.

(2) The debt instrument has a repayment schedule that is not faster than a level principal amortization over five years.

(3) The debt instrument has no interest, distribution, or payment features dependent on the fund's profitability or the success of the fund's growth investments.

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(D) "Eligible investment authority" means the amount stated on the notice issued under division (F)(1) of section 122.151 of the Revised Code certifying the rural business and high-growth industry fund. Sixty per cent of a fund's eligible investment authority shall be comprised of credit-eligible capital contributions.

(E) "Growth investment" means any capital or equity investment in a rural business concern or high-growth industry business concern, or any loan to such business concerns with a stated maturity of at least one year. A secured loan or the provision of a revolving line of credit to a rural business concern or a high-growth industry business concern is a growth investment only if the rural business and high-growth industry fund obtains an affidavit from the president or chief executive officer of the business concern attesting that the business concern sought and was denied similar financing from a commercial bank.

(F) "High-growth industry business concern" means an operating company that is engaged in an industry that is assigned a North American industry classification system code within sector 11, 21, 23, 31 to 33, 42, 48, 49, 54, 56, 62, or 81, or that is certified by the development services agency under division (B) of section 122.156 of the Revised Code.

(G) "New job years" means the amount computed under division (A) of section 122.155 of the Revised Code.

(H) "Operating company" means any business that has its principal business operations in this state, has fewer than two hundred fifty employees or not more than fifteen million dollars in net income for the preceding taxable year, and that is none of the following:

(1) A country club;

(2) A racetrack or other facility used for gambling;

(3) A store the principal purpose of which is the sale of alcoholic beverages for consumption off premises;

(4) A massage parlor;

(5) A hot tub facility;

(6) A suntan facility;

(7) A business engaged in the development or holding of intangibles for sale;

(8) A private or commercial golf course;

(9) A business that derives or projects to derive fifteen per cent or more of its net income from the rental or sale of real property, except any business that is a special purpose entity principally owned by a principal user of that property formed solely for the purpose of renting, either directly or indirectly, or selling real property back to such principal user if such

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principal user does not derive fifteen per cent or more of its gross annual revenue from the rental or sale of real property;

(10) A publicly traded business.

For the purposes of this division, "net income" means federal gross income as required to be reported under the Internal Revenue Code less federal and state taxes imposed on or measured by income.

(I) A business's "principal business operations" are in this state if at least eighty per cent of the business's employees reside in this state, the individuals who receive eighty per cent of the business's payroll reside in this state, or the business has agreed to use the proceeds of a growth investment to relocate at least eighty per cent of its employees to this state or pay at least eighty per cent of its payroll to individuals residing in this state.

(J) "Rural area" means either of the following:

(1) Any area that is not located in a city having a population greater than fifty thousand or in the urbanized area adjacent to such a city;

(2) Any area determined to be "rural in character" by the under secretary of agriculture for rural development within the United States department of agriculture.

(K) "Rural business concern" means an operating company that has its principal business operations located in a rural area.

(L) "Rural business and high-growth industry fund" and "fund" mean an entity certified by the development services agency under section 122.151 of the Revised Code.

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(M) "Taxable year" when used in reference to an insurance company means the calendar year ending on the thirty-first day of December next preceding the day the annual statement is required to be returned under section 5725.18 or 5729.02 of the Revised Code; when used in reference to a financial institution, "taxable year" has the same meaning as in section 5726.01 of the Revised Code.

Sec. 122.151. (A) On and after September 1, 2017, a person that has developed a business plan to invest in rural business concerns and high-growth industry business concerns in this state and has successfully solicited private investors to make capital contributions in support of the plan may apply to the development services agency for certification as a rural business and high-growth industry fund. The application shall include all of the following:

(1) The total eligible investment authority sought by the applicant under the business plan;

(2) Documents and other evidence sufficient to prove, to the satisfaction

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of the agency, that the applicant meets all of the following criteria:

(a) The applicant or an affiliate of the applicant is licensed as a rural business investment company under 7 U.S.C. 2009cc, or as a small business investment company under 15 U.S.C. 681.

(b) As of the date the application is submitted, the applicant has invested more than one hundred million dollars in operating companies, including at least fifty million dollars in operating companies located in rural areas. In computing investments under this division, the applicant may include investments made by affiliates of the applicant and investments made in businesses that are not operating companies but would qualify as operating companies if the principal business operations were located in this state.

(3) The industries in which the applicant proposes to make growth investments and the percentage of the growth investments that will be made in each industry. The applicant shall identify each industry by using the codes utilized by the north American industry classification system.

(4) An estimate of the number of new job years and retained job years that will be produced in this state as a result of the applicant's growth investments;

(5) A revenue impact assessment for the applicant's proposed growth investments prepared by a nationally recognized third-party independent economic forecasting firm using a dynamic economic forecasting model. The revenue impact assessment shall analyze the applicant's business plan over the ten years following the date the application is submitted to the agency.

(6) A signed affidavit from each investor successfully solicited by the applicant to make a credit eligible capital contribution in support of the business plan. Each affidavit shall include information sufficient for the tax commissioner to identify the investor and shall state the amount of the investor's credit-eligible capital contribution.

(7) A nonrefundable application fee of five thousand dollars.

(B)(1) Except as provided in division (B)(2) of this section, the development services agency shall review and make a determination with respect to each application submitted under division (A) of this section within sixty days of receipt. The agency shall review and make determinations on the applications in the order in which the applications are received by the agency. Applications received by the agency on the same day shall be deemed to have been received simultaneously. Except as provided in division (C) of section 122.154 of the Revised Code, the agency shall approve not more than one hundred million dollars in eligible investment authority and not more than sixty million dollars in

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credit-eligible capital contributions under this section. Not more than one-third of the eligible investment authority and credit-eligible capital contributions approved under this section may be awarded to a single rural business and high-growth industry fund and its affiliates.

(2) If the agency denies an application for certification as a fund, and approving a subsequently submitted application would result in exceeding the dollar limitation on eligible investment authority or credit-eligible contributions prescribed by division (B)(1) of this section assuming the previously denied application were completed, clarified, or cured under division (D) of this section, the agency may refrain from making a determination on the subsequently submitted application until the previously denied application is reconsidered or the fifteen-day period for submitting additional information respecting that application has passed, whichever comes first.

(C) The agency shall deny an application submitted under this section if any of the following are true:

(1) The application is incomplete.

(2) The application fee is not paid in full.

(3) The applicant does not satisfy all the criteria described in division (A)(2) of this section.

(4) The revenue impact assessment submitted under division (A)(5) of this section does not demonstrate that the applicant's business plan will result in a positive economic impact on this state over a ten-year period that exceeds the cumulative amount of tax credits that would be issued under section 122.152 of the Revised Code if the application were approved.

(5) The credit-eligible capital contributions described in affidavits submitted under division (A)(6) of this section do not equal sixty per cent of the total amount of eligible investment authority sought under the applicant's business plan.

(6) The agency has already approved the maximum total eligible investment authority and credit-eligible capital contributions allowed under division (B) of this section or the maximum amount allowed with respect to the applicant fund under that division.

(D) If the agency denies an application under division (C) of this section, the agency shall send notice of its determination to the applicant. The notice shall include the reason or reasons that the application was denied. If the application was denied for any reason other than the reason specified in division (C)(6) of this section, the applicant may provide additional information to the agency to complete, clarify, or cure defects in the application. The additional information must be submitted within fifteen

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days after the date the notice of denial was dispatched by the agency. If the person submits additional information within fifteen days, the agency shall reconsider the application within thirty days after receiving the additional information. The application shall be reviewed and considered before any pending application submitted after the original submission date of the reconsidered application. If the person does not submit additional information within fifteen days after dispatch of the notice of denial, the person may submit a new application with a new submission date at any time.

(E) If approving multiple simultaneously submitted applications would result in exceeding the overall eligible investment limit prescribed by division (B) of this section, the agency shall proportionally reduce the eligible investment authority and the credit-eligible capital contributions for each approved application as necessary to avoid exceeding the limit.

(F) The agency shall not deny a rural business and high-growth industry fund application or reduce the requested eligible investment authority for reasons other than those described in divisions (C) and (E) of this section. If the agency approves such an application, the agency shall issue all of the following notices:

(1) To the applicant, a written notice certifying that the applicant qualifies as a rural business and high-growth industry fund and specifying the amount of the applicant's eligible investment authority;

(2) To each investor whose affidavit was included in the application, a notice specifying the amount of credit-eligible capital allocated to the investor and the associated tax credit amount;

(3) To the tax commissioner, a notice of the amount and utilization schedule of the tax credits allocated to each investor receiving a notice under division (F)(2) of this section.

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(G) A fund shall do all of the following within sixty days of receiving the certification issued under division (F)(1) of this section:

(1) Collect the credit-eligible capital contributions from each investor in the amount set forth in the notice provided to the investor under division (F)(2) of this section;

(2) Collect one or more investments of cash that, when added to the contributions collected under division (G)(1) of this section, equal the fund's eligible investment authority. At least ten per cent of the fund's eligible investment authority shall be comprised of equity investments contributed by affiliates of the fund, including employees, officers, and directors of such affiliates.

Within sixty-five days after receiving the certification issued under

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division (F)(1) of this section, the fund shall send to the agency documentation sufficient to prove that the amounts described in divisions (G)(1) and (2) of this section have been collected. If the fund fails to fully comply with division (G) of this section, the fund's certification shall lapse.

Eligible investment authority and corresponding credit-eligible capital contributions that lapse under this division do not count toward limits on total eligible investment authority and credit-eligible capital contributions prescribed by division (B) of this section. Once eligible investment authority has lapsed, the agency shall first award lapsed authority pro rata to each fund that was awarded less than the requested eligible investment authority under division (E) of this section. Any remaining eligible investment authority may be awarded by the agency to new applicants.

(H) Application fees submitted to the agency pursuant to division (A)(7) of this section shall be credited to the Ohio rural and high-growth industry jobs fund, which is hereby created, and shall be used by the agency to administer this section and sections 122.15 to 122.156 of the Revised Code.

Sec. 122.152. (A) There is hereby allowed a nonrefundable tax credit for owners of tax credit certificates issued by the development services agency under division (B) of this section. The credit may be claimed against the tax imposed by section 3901.86, 5725.18, 5726.02, 5729.03, or 5729.06 of the Revised Code.

(B) On the closing date, a taxpayer that made a credit-eligible capital contribution to a rural business and high-growth industry fund shall earn a vested credit equal to the amount specified in the notice issued under division (F)(2) of section 122.151 of the Revised Code. On or before the third, fourth, fifth, and sixth anniversary dates of the closing date, the agency shall issue a tax credit certificate to the taxpayer specifying the corresponding anniversary date and a credit amount equal to one-fourth of the total credit authorized under this section. The owner of the certificate may claim the credit amount for the taxable year that includes the date specified on the certificate. A tax credit certificate issued under section 122.151 of the Revised Code may not be sold or transferred except to an affiliate of the taxpayer that is subject to the tax imposed by section 3901.86, 5725.18, 5726.02, 5729.03, or 5729.06 of the Revised Code. The taxpayer making a credit-eligible capital contribution and the issuance of a tax credit by the agency does not represent a verification or certification by the agency of compliance with the recapture provisions of section 122.153 of the Revised Code. The tax credit earned and vested under this division is subject to recapture under section 122.153 of the Revised Code.

(C) The credit shall be claimed in the order required under section

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5725.98, 5726.98, or 5729.98 of the Revised Code as applicable. If the amount of the credit for a taxable year exceeds the tax otherwise due for that year, the excess shall be carried forward to ensuing taxable years until fully used. A taxpayer claiming a credit under this section shall submit a copy of the tax credit certificate with the taxpayer's return for each taxable year in which the credit is claimed.

Sec. 122.153. (A) The development services agency shall recapture tax credits claimed under section 122.152 of the Revised Code if any of the following occur with respect to a rural business and high-growth industry fund before the fund is decertified under division (C) of this section:

(1) The fund in which the credit-eligible capital contribution was made does not invest fifty per cent of its eligible investment authority in growth investments within one year of the closing date and one hundred per cent of its eligible investment authority in growth investments in this state within two years of the closing date.

(2) On the second anniversary of the closing date, the fund has not invested fifty per cent of its eligible investment authority in growth investments in rural business concerns in this state and fifty per cent of its eligible investment authority in growth investments in high-growth industry business concerns in this state.

(3) The fund, after investing one hundred per cent of its eligible investment authority in growth investments in this state, fails to maintain that investment until the sixth anniversary of the closing date. For the purposes of this division, an investment is "maintained" even if the investment is sold or repaid so long as the fund reinvests an amount equal to the capital returned or recovered by the fund from the original investment, exclusive of any profits realized, in other growth investments in this state within twelve months of the receipt of such capital, provided that the fund shall make the reinvestment even if such twelve-month anniversary occurs after the fifth anniversary of the closing date. Amounts received periodically by a fund shall be treated as continually invested in growth investments if the amounts are reinvested in one or more growth investments by the end of the following calendar year, provided that the fund shall make the reinvestment even if the end of the following calendar year occurs after the fifth anniversary of the closing date. Except as otherwise provided by this division, a fund is not required to reinvest capital returned from growth investments if the capital is returned after the fifth anniversary of the closing date, and such growth investments shall be considered held continuously by the fund through the sixth anniversary of the closing date.

(4) The fund makes a distribution or payment after the fund complies

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with division (G) of section 122.151 of the Revised Code and before the fund decertifies under division (D) of this section that results in the fund having less than one hundred per cent of its eligible investment authority invested in growth investments in this state or held in cash and other marketable securities.

(5) The fund makes a growth investment in a rural business concern or high-growth industry business concern that directly or indirectly through an affiliate owns, has the right to acquire an ownership interest, makes a loan to, or makes an investment in the fund, an affiliate of the fund, or an investor in the fund. Division (A)(5) of this section does not apply to investments in publicly traded securities by a rural business concern, a high-growth industry business concern, or an owner or affiliate of either such business concerns.

Before recapturing one or more tax credits under this division, the agency shall notify the fund of the reasons for the pending recapture. If the fund corrects the violations outlined in the notice to the satisfaction of the agency within one hundred eighty days of the date the notice was dispatched, the agency shall not recapture the tax credits.

(B)(1) Except as otherwise provided in division (B)(2) of this section, the amount by which one or more growth investments by a fund in the same rural business concern or high-growth industry business concern exceeds twenty per cent of the fund's eligible investment authority shall not be counted as a growth investment for the purposes of division (A) of this section.

(2) The reinvestment of capital that was returned to or recovered by a fund from a growth investment that was sold or repaid shall be counted as a growth investment for the purposes of division (A) of this section even if the reinvestment results in more than twenty per cent of the fund's eligible investment authority being invested in the same rural business concern or high-growth industry business concern.

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(3) A growth investment in an affiliate of a rural business concern or high-growth industry business concern shall be treated as a growth investment in that rural business concern or high-growth industry business concern for the purposes of division (B) of this section.

(C)(1) If the agency recaptures a tax credit under division (A) of this section, the agency shall notify the tax commissioner and the superintendent of insurance of the recapture. The superintendent or the commissioner shall make an assessment under Chapter 5725., 5726., or 5729. of the Revised Code for the amount of the credit claimed by each certificate owner associated with the fund before the recapture was finalized. The time

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limitations on assessments under those chapters do not apply to an assessment under this division, but the superintendent or the commissioner shall make the assessment within one year after the date the agency notifies the superintendent or the commissioner of the recapture. Following the recapture of a tax credit under division (A) of this section, no tax credit certificate associated with the fund may be utilized. Notwithstanding division (B) of section 122.152 of the Revised Code, if a tax credit is recaptured under division (A) of this section the agency shall not issue future tax credit certificates to taxpayers that made credit-eligible capital contributions to the fund.

(2) If tax credits are recaptured, the associated eligible investment authority and credit-eligible capital contributions do not count toward the limit on total eligible investment authority and credit-eligible capital contributions described by division (B) of section 122.151 of the Revised Code. The agency shall first award reverted authority pro rata to each fund that was awarded less than the requested eligible investment authority under division (E) of section 122.151 of the Revised Code. Any remaining eligible investment authority may be awarded by the agency to new applicants.

(D)(1) On or after the sixth anniversary of the closing date, a fund that has not committed any of the acts described in division (A) of this section may apply to the agency to decertify as a rural business and high-growth industry fund. The agency shall respond to the application within thirty days after receiving the application. In evaluating the application, the fact that no tax credit has been recaptured with respect to the fund shall be sufficient evidence to prove that the fund is eligible for decertification. The agency shall not unreasonably deny an application submitted under this division.

(2) The agency shall send notice of its determination with respect to an application submitted under division (D)(1) of this section to the fund. If the application is denied, the notice shall include the reason or reasons for the determination.

(3) The agency shall not recapture a tax credit due to any actions of a fund that occur after the date the fund's application for decertification is approved under division (D) of this section. This division does not prohibit the agency from recapturing a tax credit due to the actions of a fund that occur before the date the fund's application for decertification is approved, even if those actions are discovered after that date.

Sec. 122.154. (A) Each rural business and high-growth industry fund shall submit a report to the development services agency on or before the first day of each March following the end of the calendar year that includes the closing date until the year after the fund has decertified. The report shall

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provide an itemization of the fund's growth investments and shall include the following documents and information:

(1) A bank statement evidencing each growth investment;

(2) The name, location, and industry class of each business that received a growth investment from the fund and evidence that the business qualified as a rural business concern or high-growth industry business concern at the time the investment was made. If the fund obtained a written opinion from the agency on the business's status as a rural business concern or high-growth industry business concern under division (A) of section 122.156 of the Revised Code, or if the fund requests such an opinion and the agency failed to respond within fifteen days as required by that division, a copy of the agency's favorable opinion or a dated copy of the fund's unanswered request, as applicable, shall be sufficient evidence that the business qualified as a rural business concern or high-growth industry business concern at the time the investment was made.

(3) The number of employment positions that existed at each business described in division (A)(2) of this section on the date the business received the growth investment;

(4) The number of new job years resulting from each of the fund's growth investments made or maintained in the preceding calendar year, the proportion of those new job years that are with rural business concerns, and the proportion of those new job years that are with high-growth industry business concerns;

(5) Any other information required by the agency.

(B) Each fund shall submit a report to the agency on or before the fifth business day after the second anniversary of the closing date that provides documentation sufficient to prove that the fund has met the investment thresholds described in divisions (A)(1) and (2) of section 122.153 of the Revised Code and has not implicated any of the other recapture provisions described in divisions (A)(3) to (5) of that section.

(C) Not later than the first day of February each year, the development services agency shall compute the amount of an annual fee to be paid by each certified fund and give notice of the fee to each such fund by mail or by electronic means. The amount of the fee shall equal the quotient obtained by dividing fifty thousand dollars by the number of certified funds on the first day of January of that year. The initial annual fee required of a fund shall be due and payable to the agency along with the submission of documentation required under division (G) of section 122.151 of the Revised Code. Each subsequent annual fee is due and payable on the last day of February following the first and each ensuing anniversary of the

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closing date. If the fund is required to submit an annual report under division (A) of this section, the annual fee shall be submitted along with the report. No fund shall be required to pay an annual fee after the fund has decertified under division (D) of section 122.153 of the Revised Code.

(D) The director of development services, after consultation with the tax commissioner and the superintendent of insurance and in accordance with Chapter 119. of the Revised Code, shall adopt rules necessary to implement sections 122.15 to 122.156 of the Revised Code, including rules pertaining to the computation of new job years, the state reimbursement amount, and the number of retained jobs under section 122.155 of the Revised Code.

Sec. 122.155. (A)(1) For each calendar year in which a rural business and high-growth industry fund makes or maintains a growth investment in a rural business concern or high-growth industry business concern in this state, the fund shall determine the number of new job years produced at the business concern as a result of the investment. New job years shall be computed by subtracting the number of employment positions at the business concern on the date of the fund's initial growth investment in the business concern from the number of employment positions at the business concern on the last day of the calendar year in which the investment was made or maintained. If the computation results in a number less than zero, the number of new job years produced by the fund's growth investment for that calendar year period shall be zero.

(2) A fund may determine and include, for the purposes of this section and section 122.154 of the Revised Code, the number of new job years produced at a business concern after the year in which the fund's growth investment is repaid or redeemed. The new job years shall be computed in the same manner as in division (A)(1) of this section based on reporting information provided by the business concern to the fund.

(B) After a fund's application for decertification is approved under division (D) of section 122.153 of the Revised Code, the fund shall determine the state reimbursement amount. The state reimbursement amount shall equal the amount by which the fund's credit-eligible capital contributions exceed the product obtained by multiplying thirty thousand dollars by the aggregate number of new job years for the fund. If that product is greater than the fund's credit-eligible capital contributions, the state reimbursement amount shall equal zero. In the absence of additional information provided by the fund or discovered by the agency, the number of new job years for the purposes of this division equals the sum of all new job years reported by the fund on the annual reports required under division (A) of section 122.154 of the Revised Code.

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(C) After the state reimbursement amount is computed under division (B) of this section, the fund shall not be permitted to make further distributions to equity holders of the fund without first remitting to the agency the lesser of the state reimbursement amount or the remaining balance of the fund after all persons holding equity in the fund receive a payment or distribution equal to the person's equity investment and the person's federal and state tax liability, including penalties and interest, related to the person's ownership, management, or operation of the fund. All amounts received by the agency under this division shall be credited to the general revenue fund.

(D) The director of development services, upon the request of a fund, may waive all or a portion of the remission required under division (C) of this section if the director determines, based on an affidavit of the chief executive officer or president of a rural business concern or high-growth industry business concern, that the growth investments of the fund resulted in the retention of employment positions that would have otherwise been eliminated at rural business concerns and high-growth industry business concerns in this state. The amount waived shall not exceed the product of thirty thousand dollars multiplied by the number of retained employment positions multiplied by the number of years in which the fund made or maintained a growth investment in the business concern that retained the employment positions.

Sec. 122.156. (A) A rural business and high-growth industry fund, before investing in a business, may request a written opinion from the development services agency as to whether the business qualifies as a rural business concern or a high-growth industry business concern based on the criteria prescribed by section 122.15 of the Revised Code. The request shall be submitted in a form prescribed by rule of the agency. The agency shall issue a written opinion to the fund within fifteen business days of receiving such a request. Notwithstanding division (I) of section 122.15 of the Revised Code, if the agency determines that the business qualifies as a rural business concern or high-growth industry business concern, or if the agency fails to timely issue the written opinion as required under this section, the business shall be considered a rural business concern or high-growth industry business concern for the purposes of sections 122.15 to 122.156 of the Revised Code.

(B) Upon the request of a fund or an operating company, the agency may certify an operating company as a high-growth industry business concern, irrespective of the industry in which the operating company is engaged, if the agency determines that a growth investment in the operating

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company would be beneficial to the economic growth of the state. JRK

Sec. 122.17. (A) As used in this section:

(1) "Payroll" means the total taxable income paid by the employer during the employer's taxable year, or during the calendar year that includes the employer's tax period, to each employee or each home-based employee employed in the project to the extent such payroll is not used to determine the credit under section 122.171 of the Revised Code. "Payroll" excludes amounts paid before the day the taxpayer becomes eligible for the credit and retirement or other benefits paid or contributed by the employer to or on behalf of employees.

(2) "Baseline payroll" means Ohio employee payroll, except that the applicable measurement period is the twelve months immediately preceding the date the tax credit authority approves the taxpayer's application or the date the tax credit authority receives the recommendation described in division (C)(2)(a) of this section, whichever occurs first, multiplied by the sum of one plus an annual pay increase factor to be determined by the tax credit authority.

(3) "Ohio employee payroll" means the amount of compensation used to determine the withholding obligations in division (A) of section 5747.06 of the Revised Code and paid by the employer during the employer's taxable year, or during the calendar year that includes the employer's tax period, to ~~each~~ the following:

(a) An employee employed in the project who is a resident of this state~~, as defined in section 5747.01 of the Revised Code, to each~~ including a qualifying work-from-home employee not designated as a home-based employee by an applicant under division (C)(1) of this section;

(b) An employee employed at the project ~~site~~ location who is not a resident and whose compensation is not exempt from the tax imposed under section 5747.02 of the Revised Code pursuant to a reciprocity agreement with another state under division (A)(3) of section 5747.05 of the Revised Code~~, or to each~~;

(c) A home-based employee employed in the project~~, to the extent~~,

"Ohio employee payroll" excludes any such compensation to the extent it is ~~not~~ used to determine the credit under section 122.171 of the Revised Code~~. "Ohio employee payroll"~~, and excludes amounts paid before the day the taxpayer becomes eligible for the credit under this section.

(4) "Excess payroll" means Ohio employee payroll minus baseline payroll.

(5) "Home-based employee" means an employee whose services are performed primarily from the employee's residence in this state exclusively

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one or more computer data center businesses, as determined by the tax credit authority.

(3) "Computer data center business" means, as may be further determined by the tax credit authority, a business that provides electronic information services as defined in division (Y)(1)(c) of section 5739.01 of the Revised Code, or that leases a facility to one or more such businesses. "Computer data center business" does not include providing electronic publishing as defined in ~~division (LLL) of~~ that section. JRK

(4) "Computer data center equipment" means tangible personal property used or to be used for any of the following:

(a) To conduct a computer data center business, including equipment cooling systems to manage the performance of computer data center equipment;

(b) To generate, transform, transmit, distribute, or manage electricity necessary to operate the tangible personal property used or to be used in conducting a computer data center business;

(c) As building and construction materials sold to construction contractors for incorporation into a computer data center.

(5) "Eligible computer data center" means a computer data center that satisfies all of the following requirements:

(a) One or more taxpayers operating a computer data center business at the project site will, in the aggregate, make payments for a capital investment project of at least one hundred million dollars at the project site during one of the following cumulative periods:

(i) For projects beginning in 2013, ~~five~~ six consecutive calendar years;

(ii) For projects beginning in 2014, four consecutive calendar years;

(iii) For projects beginning in or after 2015, three consecutive calendar years.

(b) One or more taxpayers operating a computer data center business at the project site will, in the aggregate, pay annual compensation that is subject to the withholding obligation imposed under section 5747.06 of the Revised Code of at least one million five hundred thousand dollars to employees employed at the project site for each year of the agreement beginning on or after the first day of the twenty-fifth month after the agreement was entered into under this section.

(6) "Person" has the same meaning as in section 5701.01 of the Revised Code.

(7) "Project site," "related member," and "tax credit authority" have the same meanings as in sections 122.17 and 122.171 of the Revised Code.

(8) "Taxpayer" means any person subject to the taxes imposed under

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information on the number of agreements that were entered into under this section during the preceding calendar year, a description of the eligible computer data center that is the subject of each such agreement, and an update on the status of eligible computer data centers under agreements entered into before the preceding calendar year.

(M) A taxpayer may be made a party to an existing agreement entered into under this section by the tax credit authority and another taxpayer or group of taxpayers. In such a case, the taxpayer shall be entitled to all benefits and bound by all obligations contained in the agreement and all requirements described in this section. When an agreement includes multiple taxpayers, each taxpayer shall be entitled to a direct payment permit as authorized in division (I) of this section.

Sec. 122.33. The director of development services shall administer the following programs:

(A) The industrial technology and enterprise development grant program, to provide capital to acquire, construct, enlarge, improve, or equip and to sell, lease, exchange, and otherwise dispose of property, structures, equipment, and facilities within the state.

Such funding may be made to enterprises that propose to develop new products or technologies when the director finds all of the following factors to be present:

(1) The undertaking will benefit the people of the state by creating or preserving jobs and employment opportunities or improving the economic welfare of the people of the state, and promoting the development of new technology.

(2) There is reasonable assurance that the potential royalties to be derived from the sale of the product or process described in the proposal will be sufficient to repay the funding pursuant to sections 122.28 and 122.30 to 122.36 of the Revised Code and that, in making the agreement, as it relates to patents, copyrights, and other ownership rights, there is reasonable assurance that the resulting new technology will be utilized to the maximum extent possible in facilities located in Ohio.

(3) The technology and research to be undertaken will allow enterprises to compete more effectively in the marketplace. Grants of capital may be in such form and conditioned upon such terms as the director deems appropriate.

(B) The industrial technology and enterprise resources program to provide for the collection, dissemination, and exchange of information regarding equipment, facilities, and business planning consultation resources available in business, industry, and educational institutions and to establish

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methods by which small businesses may use available facilities and resources. The methods may include, but need not be limited to, leases reimbursing the educational institutions for their actual costs incurred in maintaining the facilities and agreements assigning royalties from development of successful products or processes through the use of the facilities and resources. The director shall operate this program in conjunction with the board of regents.

(C) The Thomas Alva Edison grant program to provide grants to foster research, development, or technology transfer efforts involving enterprises and educational institutions that will lead to the creation of jobs.

(1) Grants may be made to a nonprofit organization or a public or private educational institution, department, college, institute, faculty member, or other administrative subdivision or related entity of an educational institution when the director finds that the undertaking will benefit the people of the state by supporting research in advanced technology areas likely to improve the economic welfare of the people of the state through promoting the development of new commercial technology.

(2) Grants may be made in a form and conditioned upon terms as the director considers appropriate.

(3) ~~Grants~~ Except as provided in division (C)(4) of this section, grants made under this program shall ~~in all instances~~ be in conjunction with a contribution to the project by a cooperating enterprise which maintains or proposes to maintain a relevant research, development, or manufacturing facility in the state, by a nonprofit organization, or by an educational institution or related entity; however, funding provided by an educational institution or related entity shall not be from general revenue funds appropriated by the Ohio general assembly. No grant made under this program shall exceed the contribution made by the cooperating enterprise, nonprofit organization, or educational institution or related entity. The director may consider cooperating contributions in the form of state of the art new equipment or in other forms provided the director determines that the contribution is essential to the successful implementation of the project. The director may adopt rules or guidelines for the valuation of contributions of equipment or other property.

(4) At the director's sole discretion, the requirement for a cooperating contribution under division (C)(3) of this section may be waived if the project will enable Ohio companies to access new technology applications.

(5) The director may determine fields of research from which grant applications will be accepted under this program.

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(6) For purposes of division (C) of this section:

(a) "New technology applications" means providing existing technology proven in at least one commercial environment to companies that have not done the following:

(i) Used the technology;

(ii) Used the technology for the purpose it was originally created.

(b) "Ohio companies" means companies in which the principal place of business is in this state or that propose to be engaged in research and development, manufacturing, or provisioning of products or services within the state.

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Sec. 122.641. (A)(1) There is hereby created the lakes in economic distress revolving loan program to assist businesses and other entities that are adversely affected due to economic circumstances that result in the declaration of a lake as an area under economic distress by the director of natural resources under division (A)(2) of this section. The director of development services shall administer the program.

(2) The director of natural resources shall do both of the following:

(a) Declare a lake as an area under economic distress. The director shall declare a lake as an area under economic distress based solely on environmental or safety issues, including the closure of a dam for safety reasons.

(b) Subsequently declare a lake as an area no longer under economic distress when the environmental or safety issues, as applicable, have been resolved.

(B) There is hereby created in the state treasury the lakes in economic distress revolving loan fund. The fund shall consist of money appropriated to it, all payments of principal and interest on loans made from the fund, and all investment earnings on money in the fund. The director of development services shall use money in the fund to make loans under this section, provided that the loans shall be zero interest loans during the time that an applicable lake has been declared an area under economic distress under division (A)(2)(a) of this section.

(C) The director shall adopt rules in accordance with Chapter 119. of the Revised that do both of the following:

(1) Establish requirements and procedures for the making of loans under this section, including all of the following:

(a) Eligibility criteria;

(b) Application procedures;

(c) Criteria for approval or disapproval of loans, including a stipulation that an applicant must demonstrate that the loan will help to achieve

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plan for early payment of accrued sick leave and vacation leave.

Sec. 124.93. (A) As used in this section, "physician" means any person who holds a valid ~~certificate~~ license to practice medicine and surgery or osteopathic medicine and surgery issued under Chapter 4731. of the Revised Code.

(B) No health insuring corporation that, on or after July 1, 1993, enters into or renews a contract with the department of administrative services under section 124.82 of the Revised Code, because of a physician's race, color, religion, sex, national origin, disability or military status as defined in section 4112.01 of the Revised Code, age, or ancestry, shall refuse to contract with that physician for the provision of health care services under section 124.82 of the Revised Code.

Any health insuring corporation that violates this division is deemed to have engaged in an unlawful discriminatory practice as defined in section 4112.02 of the Revised Code and is subject to Chapter 4112. of the Revised Code.

(C) Each health insuring corporation that, on or after July 1, 1993, enters into or renews a contract with the department of administrative services under section 124.82 of the Revised Code and that refuses to contract with a physician for the provision of health care services under that section shall provide that physician with a written notice that clearly explains the reason or reasons for the refusal. The notice shall be sent to the physician by regular mail within thirty days after the refusal.

Any health insuring corporation that fails to provide notice in compliance with this division is deemed to have engaged in an unfair and deceptive act or practice in the business of insurance as defined in section 3901.21 of the Revised Code and is subject to sections 3901.19 to 3901.26 of the Revised Code.

Sec. 125.03. (A) Any state agency wanting to purchase automatic data processing, computer services as defined in section 2913.01 of the Revised Code, electronic publishing services, or electronic information services, or any consulting services related to information technology, the aggregate cost of which would amount to more than fifty thousand dollars over the next succeeding five-year period, shall make the purchase by competitive selection and with the approval of the controlling board. In its request for approval, the agency shall provide the board with a comparative analysis of the cost of similar systems utilized by other states and a description of the measures it took to find the most cost-effective system. The comparative analysis shall not be considered a public record under section 149.43 of the Revised Code unless the request is approved by the board and the agency

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has awarded the contract.

(B) Any state agency wanting to enter into a contract for the procurement of energy, the aggregate cost of which would amount to more than fifty thousand dollars over the next succeeding five-year period, shall make the purchase by competitive selection and with the approval of the controlling board.

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Sec. 125.035. (A) Except as otherwise provided in the Revised Code, a state agency wanting to purchase supplies or services shall make the purchase subject to the requirements of an applicable first or second requisite procurement program described in this section, or obtain a determination from the department of administrative services that the purchase is not subject to a first or second requisite procurement program. State agencies shall submit a purchase request to the department of administrative services unless the department has determined the request does not require a review. The director of administrative services shall adopt rules under Chapter 119. of the Revised Code to provide for the manner of carrying out the function and the power and duties imposed upon and vested in the director by this section.

(B) The following programs are first requisite procurement programs that shall be given preference in the following order in fulfilling a purchase request:

(1) Ohio penal industries within the department of rehabilitation and correction; and

(2) Community rehabilitation programs administered by the department of administrative services under sections 125.601 to 125.6012 of the Revised Code.

(C) The following programs are second requisite procurement programs that may be able to fulfill the purchase request if the first requisite procurement programs are unable to do so:

(1) Business enterprise program at the opportunities for Ohioans with disabilities agency as prescribed in sections 3304.28 to 3304.33 of the Revised Code;

(2) Office of information technology at the department of administrative services as established in section 125.18 of the Revised Code;

(3) Office of state printing and mail services at the department of administrative services as prescribed in Chapter 125. of the Revised Code;

(4) ~~Office of support services~~ Ohio pharmacy services at the department of mental health and addiction services as prescribed in section 5119.44 of the Revised Code;

(5) Ohio facilities construction commission established in section

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(a) "County family services agency" has the same meaning as in section 307.981 of the Revised Code.

(b) "Local ~~workforce investment~~ board" ~~means a local workforce investment board established under section 117 of the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C. 2832, as amended~~ has the same meaning as in section 6301.01 of the Revised Code.

Sec. 131.35. (A) With respect to the federal funds received into any fund of the state from which transfers may be made under division (D) of section 127.14 of the Revised Code:

(1) No state agency may make expenditures of any federal funds, whether such funds are advanced prior to expenditure or as reimbursement, unless such expenditures are made pursuant to specific appropriations of the general assembly, are authorized by the controlling board pursuant to division (A)(5) of this section, or are authorized by an executive order issued in accordance with section 107.17 of the Revised Code, and until an allotment has been approved by the director of budget and management. All federal funds received by a state agency shall be reported to the director within fifteen days of the receipt of such funds or the notification of award, whichever occurs first. The director shall prescribe the forms and procedures to be used when reporting the receipt of federal funds.

(2) If the federal funds received are greater than the amount of such funds appropriated by the general assembly for a specific purpose, the total appropriation of federal and state funds for such purpose shall remain at the amount designated by the general assembly, except that the expenditure of federal funds received in excess of such specific appropriation may be authorized by the controlling board, subject to division (D) of this section.

(3) To the extent that the expenditure of excess federal funds is authorized, the controlling board may transfer a like amount of general revenue fund appropriation authority from the affected agency to the emergency purposes appropriation of the controlling board, if such action is permitted under federal regulations.

(4) Additional funds may be created by the controlling board to receive revenues not anticipated in an appropriations act for the biennium in which such new revenues are received. ~~Expenditures~~ Subject to division (D) of this section, expenditures from such additional funds may be authorized by the controlling board, but such authorization shall not extend beyond the end of the biennium in which such funds are created.

(5) Controlling board authorization for a state agency to make an expenditure of federal funds constitutes authority for the agency to participate in the federal program providing the funds, and the agency is not

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required to obtain an executive order under section 107.17 of the Revised Code to participate in the federal program.

(B) With respect to nonfederal funds received into the waterways safety fund, the wildlife fund, and any fund of the state from which transfers may be made under division (D) of section 127.14 of the Revised Code:

(1) No state agency may make expenditures of any such funds unless the expenditures are made pursuant to specific appropriations of the general assembly.

(2) If the receipts received into any fund are greater than the amount appropriated, the appropriation for that fund shall remain at the amount designated by the general assembly or, subject to division (D) of this section, as increased and approved by the controlling board.

(3) Additional funds may be created by the controlling board to receive revenues not anticipated in an appropriations act for the biennium in which such new revenues are received. ~~Expenditures~~ Subject to division (D) of this section, expenditures from such additional funds may be authorized by the controlling board, but such authorization shall not extend beyond the end of the biennium in which such funds are created.

(C) The controlling board shall not authorize more than ten per cent of additional spending from the occupational licensing and regulatory fund, created in section 4743.05 of the Revised Code, in excess of any appropriation made by the general assembly to a licensing agency except an appropriation for costs related to the examination or reexamination of applicants for a license. As used in this division, "licensing agency" and "license" have the same meanings as in section 4745.01 of the Revised Code.

(D) The amount of any expenditure authorized under division (A)(2) or (4) or (B)(2) or (3) of this section for a specific or related purpose or item in any fiscal year shall not exceed an amount greater than one-half of one per cent of the general revenue fund appropriations for that fiscal year.

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Sec. 131.44. (A) As used in this section:

(1) "Surplus revenue" means the excess, if any, of the total fund balance over the required year-end balance.

(2) "Total fund balance" means the sum of the unencumbered balance in the general revenue fund on the last day of the preceding fiscal year plus the balance in the budget stabilization fund.

(3) "Required year-end balance" means the sum of the following:

(a) Eight and one-half per cent of the general revenue fund revenues for the preceding fiscal year;

(b) "Ending fund balance," which means one-half of one per cent of

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or authorizes.

(T) The treasurer of state shall have responsibility for keeping records, making reports, and making payments, relating to any arbitrage rebate requirements under the applicable bond proceedings.

(U) The issuing authority shall make quarterly reports to the general assembly of the amounts in, and activities of, each improvement fund, including amounts and activities on the subfund level. Each report shall include a detailed description and analysis of the amount of proceeds remaining in each fund from the sale of obligations pursuant to this section, and any other deposits, credits, interest earnings, disbursements, expenses, transfers, or activities of each fund.

(V) The costs of the annual audit of the authority conducted pursuant to section 117.112 of the Revised Code are payable, as may be provided in the bond proceedings, from the proceeds of the obligations, from special funds, or from other moneys available for the purpose, including as to future financing costs, from the pledged receipts.

Sec. 190.01. "The Health Care Compact" is hereby ratified, enacted into law, and entered into by the state of Ohio as a party to the compact with any other state that has legally joined in the compact as follows:

Whereas, the separation of powers, both between the branches of the Federal government and between Federal and State authority, is essential to the preservation of individual liberty;

Whereas, the Constitution creates a Federal government of limited and enumerated powers, and reserves to the States or to the people those powers not granted to the Federal government;

Whereas, the Federal government has enacted many laws that have preempted State laws with respect to Health Care, and placed increasing strain on State budgets, impairing other responsibilities such as education, infrastructure, and public safety;

Whereas, the Member States seek to protect individual liberty and personal control over Health Care decisions, and believe the best method to achieve these ends is by vesting regulatory authority over Health Care in the States;

Whereas, by acting in concert, the Member States may express and inspire confidence in the ability of each Member State to govern Health Care effectively; and

Whereas, the Member States recognize that consent of Congress may be more easily secured if the Member States collectively seek consent through an interstate compact;

NOW THEREFORE, the Member States hereto resolve, and by the

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adoption into law under their respective State Constitutions of this Health Care Compact, agree, as follows:

**Sec. 1. Definitions.** As used in this Compact, unless the context clearly indicates otherwise:

"Commission" means the Interstate Advisory Health Care Commission.

"Effective Date" means the date upon which this Compact shall become effective for purposes of the operation of State and Federal law in a Member State, which shall be the later of:

(a) the date upon which this Compact shall be adopted under the laws of the Member State, and

(b) the date upon which this Compact receives the consent of Congress pursuant to Article I, Section 10, of the United States Constitution, after at least two Member States adopt this Compact.

"Health Care" means care, services, supplies, or plans related to the health of an individual and includes but is not limited to:

(a) preventive, diagnostic, therapeutic, rehabilitative, maintenance, or palliative care and counseling, service, assessment, or procedure with respect to the physical or mental condition or functional status of an individual or that affects the structure or function of the body, and

(b) sale or dispensing of a drug, device, equipment, or other item in accordance with a prescription, and

(c) an individual or group plan that provides, or pays the cost of, care, services, or supplies related to the health of an individual, except any care, services, supplies, or plans provided by the United States Department of Defense and United States Department of Veteran Affairs, or provided to Native Americans.

"Member State" means a State that is signatory to this Compact and has adopted it under the laws of that State.

"Member State Base Funding Level" means a number equal to the total Federal spending on Health Care in the Member State during Federal fiscal year 2010. On or before the Effective Date, each Member State shall determine the Member State Base Funding Level for its State, and that number shall be binding upon that Member State. The preliminary estimate of Member State Base Funding Level for the State of Ohio is $35,043,000,000.

"Member State Current Year Funding Level" means the Member State Base Funding Level multiplied by the Member State Current Year Population Adjustment Factor multiplied by the Current Year Inflation Adjustment Factor.

"Member State Current Year Population Adjustment Factor" means the

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average population of the Member State in the current year less the average population of the Member State in Federal fiscal year 2010, divided by the average population of the Member State in Federal fiscal year 2010, plus 1. Average population in a Member State shall be determined by the United States Census Bureau.

"Current Year Inflation Adjustment Factor" means the Total Gross Domestic Product Deflator in the current year divided by the Total Gross Domestic Product Deflator in Federal fiscal year 2010. Total Gross Domestic Product Deflator shall be determined by the Bureau of Economic Analysis of the United States Department of Commerce.

**Sec. 2. Pledge.** The Member States shall take joint and separate action to secure the consent of the United States Congress to this Compact in order to return the authority to regulate Health Care to the Member States consistent with the goals and principles articulated in this Compact. The Member States shall improve Health Care policy within their respective jurisdictions and according to the judgment and discretion of each Member State.

**Sec. 3. Legislative Power.** The legislatures of the Member States have the primary responsibility to regulate Health Care in their respective States.

**Sec. 4. State Control.** Each Member State, within its State, may suspend by legislation the operation of all federal laws, rules, regulations, and orders regarding Health Care that are inconsistent with the laws and regulations adopted by the Member State pursuant to this Compact. Federal and State laws, rules, regulations, and orders regarding Health Care will remain in effect unless a Member State expressly suspends them pursuant to its authority under this Compact. For any federal law, rule, regulation, or order that remains in effect in a Member State after the Effective Date, that Member State shall be responsible for the associated funding obligations in its State.

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**Sec. 5. Funding.**

(a) Each Federal fiscal year, each Member State shall have the right to Federal monies up to an amount equal to its Member State Current Year Funding Level for that Federal fiscal year, funded by Congress as mandatory spending and not subject to annual appropriation, to support the exercise of Member State authority under this Compact. This funding shall not be conditional on any action of or regulation, policy, law, or rule being adopted by the Member State.

(b) By the start of each Federal fiscal year, Congress shall establish an initial Member State Current Year Funding Level for each Member State, based upon reasonable estimates. The final Member State Current Year

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Funding Level shall be calculated, and funding shall be reconciled by the United States Congress based upon information provided by each Member State and audited by the United States Government Accountability Office.

**Sec. 6. Interstate Advisory Health Care Commission.**

(a) The Interstate Advisory Health Care Commission is established. The Commission consists of members appointed by each Member State through a process to be determined by each Member State. A Member State may not appoint more than two members to the Commission and may withdraw membership from the Commission at any time. Each Commission member is entitled to one vote. The Commission shall not act unless a majority of the members are present, and no action shall be binding unless approved by a majority of the Commission's total membership.

(b) The Commission may elect from among its membership a Chairperson. The Commission may adopt and publish bylaws and policies that are not inconsistent with this Compact. The Commission shall meet at least once a year, and may meet more frequently.

(c) The Commission may study issues of Health Care regulation that are of particular concern to the Member States. The Commission may make non-binding recommendations to the Member States. The legislatures of the Member States may consider these recommendations in determining the appropriate Health Care policies in their respective States.

(d) The Commission shall collect information and data to assist the Member States in their regulation of Health Care, including assessing the performance of various State Health Care programs and compiling information on the prices of Health Care. The Commission shall make this information and data available to the legislatures of the Member States. Notwithstanding any other provision in this Compact, no Member State shall disclose to the Commission the health information of any individual, nor shall the Commission disclose the health information of any individual.

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(e) The Commission shall be funded by the Member States as agreed to by the Member States. The Commission shall have the responsibilities and duties as may be conferred upon it by subsequent action of the respective legislatures of the Member States in accordance with the terms of this Compact.

(f) The Commission shall not take any action within a Member State that contravenes any State law of that Member State.

**Sec. 7. Congressional Consent.** This Compact shall be effective on its adoption by at least two Member States and consent of the United States Congress. This Compact shall be effective unless the United States Congress, in consenting to this Compact, alters the fundamental purposes of

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this Compact, which are:

(a) To secure the right of the Member States to regulate Health Care in their respective States pursuant to this Compact and to suspend the operation of any conflicting federal laws, rules, regulations, and orders within their States; and

(b) To secure Federal funding for Member States that choose to invoke their authority under this Compact, as prescribed by Section 5 above.

**Sec. 8. Amendments.** The Member States, by unanimous agreement, may amend this Compact from time to time without the prior consent or approval of Congress and any amendment shall be effective unless, within one year, the Congress disapproves that amendment. Any State may join this Compact after the date on which Congress consents to the Compact by adoption into law under its State Constitution.

**Sec. 9. Withdrawal; Dissolution.** Any Member State may withdraw from this Compact by adopting a law to that effect, but no such withdrawal shall take effect until six months after the Governor of the withdrawing Member State has given notice of the withdrawal to the other Member States. A withdrawing State shall be liable for any obligations that it may have incurred prior to the date on which its withdrawal becomes effective. This Compact shall be dissolved upon the withdrawal of all but one of the Member States.

Sec. 190.02. Not later than thirty days after "The Health Care Compact" entered into under section 190.01 of the Revised Code is ratified by the United States congress, the governor shall appoint a member to the interstate advisory health care commission created under the compact. The governor shall fill a vacancy not later than thirty days after the vacancy occurs.

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Sec. 191.04. (A) In accordance with federal laws governing the confidentiality of individually identifiable health information, including the "Health Insurance Portability and Accountability Act of 1996," 104 Pub. L. No. 191, 110 Stat. 2021, 42 U.S.C. 1320d et seq., as amended, and regulations promulgated by the United States department of health and human services to implement the act, a state agency may exchange protected health information with another state agency relating to eligibility for or enrollment in a health plan or relating to participation in a government program providing public benefits if the exchange of information is necessary for either or both of the following:

(1) Operating a health plan;

(2) Coordinating, or improving the administration or management of, the health care-related functions of at least one government program providing public benefits.

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filing the appropriate forms required under section 1509.31 of the Revised Code and providing to the chief sufficient information to demonstrate the landowner's or owner's right to produce a formation or formations. That information may include a deed, a lease, or other documentation of ownership or property rights.

The chief shall approve or disapprove the transfer of ownership of the well. If the chief approves the transfer, the owner is responsible for operating the well in accordance with this chapter and rules adopted under it, including, without limitation, all of the following:

(1) Filing an application with the chief under section 1509.06 of the Revised Code if the owner intends to drill deeper or produce a formation that is not listed in the records of the division for that well;

(2) Taking title to and possession of the equipment appurtenant to the well that has been identified by the chief as having been abandoned by the former owner;

(3) Complying with all applicable requirements that are necessary to drill deeper, plug the well, or plug back the well.

(H) The chief shall issue an order that requires the owner of a well to pay the actual documented costs of a corrective action that is described in division (B)(2) of this section concerning the well. The chief shall transmit the money so recovered to the treasurer of state who shall deposit the money in the state treasury to the credit of the oil and gas well fund.

(I) The chief may engage in cooperative projects under this section with any agency of this state, another state, or the United States; any other governmental agencies; or any state university or college as defined in section 3345.27 of the Revised Code. A contract entered into for purposes of a cooperative project is not subject to division (B) of section 127.16 of the Revised Code.

Sec. 1509.71. (A) It is the policy of the state to provide access to and support the exploration for, development of, and production of oil and natural gas resources owned or controlled by the state in an effort to use the state's natural resources responsibly.

(B) There is hereby created the oil and gas leasing commission consisting of the chief of the division of geological survey and the following four members ~~appointed by the governor~~:

(1) Two members, appointed by the speaker of the house of representatives, from a list of not less than four persons recommended by a statewide organization representing the oil and gas industry;

(2) One member, appointed by the president of the senate, of the public with expertise in finance or real estate;

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(3) One member, appointed by the president of the senate, representing a statewide environmental or conservation organization.

(C) Initial appointments shall be made to the commission not later than thirty days after the effective date of this ~~section~~ amendment. Of the initial members appointed to the commission by the speaker of the house of representatives, one shall serve a term of two years~~,~~ and one shall serve a term of three years. Of the initial members appointed by the president of the senate, one shall serve a term of four years~~,~~ and one shall serve a term of five years. Thereafter, terms of office of members shall be for five years from the date of appointment. Each member appointed by the ~~governor~~ speaker or president shall hold office from the date of appointment until the end of the term for which the member was appointed. ~~The governor shall fill a vacancy occurring on the commission by appointing a member within sixty days after the vacancy occurs~~ A vacancy shall be filled in the same manner as the original appointment. A member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall hold office for the remainder of that term. A member shall continue in office subsequent to the expiration date of the member's term until the member's successor takes office, or until a period of sixty days has elapsed, whichever occurs first.

(D) Three members constitute a quorum of the commission, and no action of the commission is valid unless it has the concurrence of at least three members. The commission shall keep a record of its proceedings. The chief of the division of geological survey shall serve as the chairperson of the commission.

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(E) The ~~governor~~ speaker or president may remove an appointed member from the commission for inefficiency, malfeasance, misfeasance, or nonfeasance.

(F) Members of the commission shall receive no compensation, but shall be reimbursed for their actual and necessary expenses incurred in the course of the performance of their duties as members of the commission.

(G) The department of natural resources shall furnish clerical, technical, legal, and other services required by the commission in the performance of its duties.

Sec. 1513.18. (A) All money that becomes the property of the state under division (G) of section 1513.16 of the Revised Code shall be deposited in the reclamation forfeiture fund, which is hereby created in the state treasury. Disbursements from the fund shall be made by the chief of the division of mineral resources management for the purpose of reclaiming areas of land affected by coal mining under a coal mining and reclamation

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Any member shall continue in office subsequent to the expiration date of the member's term until the member's successor takes office.

Members of the council shall be residents of this state and shall be reimbursed for actual and necessary expenses incurred in attending meetings of the council and in the performance of their official duties.

Sec. 1711.53. (A)(1) No person shall operate an amusement ride within the state without a permit issued by the director of agriculture under division (A)(2) of this section. No person shall operate an aquatic amusement ride, as defined in section 3749.01 of the Revised Code, without also complying with Chapter 3749. of the Revised Code. The owner of an amusement ride, whether the ride is a temporary amusement ride or a permanent amusement ride, who desires to operate the amusement ride within the state shall, prior to the operation of the amusement ride and annually thereafter, submit to the department of agriculture an application for a permit, together with the appropriate permit and inspection fee, on a form to be furnished by the department. Prior to issuing any permit the department shall, within thirty days after the date on which it receives the application, inspect each amusement ride described in the application. The owner of an amusement ride shall have the amusement ride ready for inspection not later than two hours after the time that is requested by the person for the inspection.

(2) For each amusement ride found to comply with the rules adopted by the director under division (B) of this section and division (B) of section 1711.551 of the Revised Code, the director shall issue an annual permit, provided that evidence of liability insurance coverage for the amusement ride as required by section 1711.54 of the Revised Code is on file with the department.

(3) The director shall issue with each permit a decal indicating that the amusement ride has been issued the permit. The owner of the amusement ride shall affix the decal on the ride at a location where the decal is easily visible to the patrons of the ride. A copy of the permit shall be kept on file at the same address as the location of the amusement ride identified on the permit, and shall be made available for inspection, upon reasonable demand, by any person. An owner may operate an amusement ride prior to obtaining a permit, provided that the operation is for the purpose of testing the amusement ride or training amusement ride operators and other employees of the owner and the amusement ride is not open to the public.

(B) The director, in accordance with Chapter 119. of the Revised Code, shall adopt rules providing for a schedule of fines, with no fine exceeding five thousand dollars, for violations of sections 1711.50 to 1711.57 of the Revised Code or any rules adopted under this division and for the

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twelve during the first full school week of October was two thousand five hundred or more, but less than seven thousand, not later than the Monday after all of the assessments have been administered;

(c) If the district's total enrollment in grades kindergarten through twelve during the first full school week of October was seven thousand or more, not later than the Tuesday after all of the assessments have been administered.

However, any assessment that a student takes during the make-up period described in division (C)(2) of this section shall be submitted not later than the Friday following the day the student takes the assessment.

(2) The department or an entity with which the department contracts for the scoring of the assessment shall send to each school district board a list of the individual scores of all persons taking a state achievement assessment as follows:

(a) Except as provided in division (G)(2)(b) or (c) of this section, within forty-five days after the administration of the assessments prescribed by sections 3301.0710 and 3301.0712 of the Revised Code, but in no case shall the scores be returned later than the thirtieth day of June following the administration;

(b) In the case of the third-grade English language arts assessment, within forty-five days after the administration of that assessment, but in no case shall the scores be returned later than the fifteenth day of June following the administration;

(c) In the case of the writing component of an assessment or end-of-course examination in the area of English language arts, except for the third-grade English language arts assessment, the results may be sent after forty-five days of the administration of the writing component, but in no case shall the scores be returned later than the thirtieth day of June following the administration.

(3) For assessments administered under this section by a joint vocational school district, the department or entity shall also send to each city, local, or exempted village school district a list of the individual scores of any students of such city, local, or exempted village school district who are attending school in the joint vocational school district.

(4) A school district, other public school, or chartered nonpublic school may administer in a paper format any assessment administered under this section, and shall not be required to administer in an online format any such assessments. A district or school may administer such assessments in any combination of online and paper formats.

The department of education shall furnish, free of charge, all such

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assessments regardless of the format selected by the district or school.

(H) Individual scores on any assessments administered under this section shall be released by a district board only in accordance with section 3319.321 of the Revised Code and the rules adopted under division (A) of this section. No district board or its employees shall utilize individual or aggregate results in any manner that conflicts with rules for the ethical use of assessments adopted pursuant to division (A) of this section.

(I) Except as provided in division (G) of this section, the department or an entity with which the department contracts for the scoring of the assessment shall not release any individual scores on any assessment administered under this section. The state board shall adopt rules to ensure the protection of student confidentiality at all times. The rules may require the use of the data verification codes assigned to students pursuant to division (D)(2) of section 3301.0714 of the Revised Code to protect the confidentiality of student scores.

(J) Notwithstanding division (D) of section 3311.52 of the Revised Code, this section does not apply to the board of education of any cooperative education school district except as provided under rules adopted pursuant to this division.

(1) In accordance with rules that the state board shall adopt, the board of education of any city, exempted village, or local school district with territory in a cooperative education school district established pursuant to divisions (A) to (C) of section 3311.52 of the Revised Code may enter into an agreement with the board of education of the cooperative education school district for administering any assessment prescribed under this section to students of the city, exempted village, or local school district who are attending school in the cooperative education school district.

(2) In accordance with rules that the state board shall adopt, the board of education of any city, exempted village, or local school district with territory in a cooperative education school district established pursuant to section 3311.521 of the Revised Code shall enter into an agreement with the cooperative district that provides for the administration of any assessment prescribed under this section to both of the following:

(a) Students who are attending school in the cooperative district and who, if the cooperative district were not established, would be entitled to attend school in the city, local, or exempted village school district pursuant to section 3313.64 or 3313.65 of the Revised Code;

(b) Persons described in division (B)(8)(b) of this section.

Any assessment of students pursuant to such an agreement shall be in lieu of any assessment of such students or persons pursuant to this section.

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the Revised Code. The chief administrator of the school shall specify which assessments the school will administer. Such specification shall be made in writing to the superintendent of public instruction prior to the first day of August of any school year in which assessments are administered and shall include a pledge that the nonpublic school will administer the specified assessments in the same manner as public schools are required to do under this section and rules adopted by the department.

(4) The department of education shall furnish the assessments prescribed by section 3301.0710 of the Revised Code to each chartered nonpublic school that is subject to division (K)(1) of this section or participates under division (K)(3) of this section.

(L) If a chartered nonpublic school is educating students in grades nine through twelve, the following shall apply:

(1) ~~For~~ Except as provided in division (L)(4) of this section, for a student who is enrolled in a chartered nonpublic school that is accredited through the independent schools association of the central states and who is attending the school under a state scholarship program, the student shall either take all of the assessments prescribed by division (B) of section 3301.0712 of the Revised Code or take an alternative assessment approved by the department under section 3313.619 of the Revised Code. However, a student who is excused from taking an assessment under division (C) of this section or has presented evidence to the chartered nonpublic school of having satisfied the condition prescribed by division (A)(1) of section 3313.618 of the Revised Code to qualify for a high school diploma prior to the date of the administration of the assessment prescribed under division (B)(1) of section 3301.0712 of the Revised Code shall not be required to take that assessment. No governing authority of a chartered nonpublic school shall prohibit a student who is not required to take such assessment from taking the assessment. JRK

(2) ~~For~~ Except as provided in division (L)(4) of this section, for a student who is enrolled in a chartered nonpublic school that is accredited through the independent schools association of the central states, and who is not attending the school under a state scholarship program, the student shall not be required to take any assessment prescribed under section 3301.0712 or 3313.619 of the Revised Code. JRK

(3)(a) Except as provided in ~~division~~ divisions (L)(3)(b) and (4) of this section, for a student who is enrolled in a chartered nonpublic school that is not accredited through the independent schools association of the central states, regardless of whether the student is attending or is not attending the school under a state scholarship program, the student shall do one of the JRK

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following:

(i) Take all of the assessments prescribed by division (B) of section 3301.0712 of the Revised Code;

(ii) Take only the assessment prescribed by division (B)(1) of section 3301.0712 of the Revised Code, provided that the student's school publishes the results of that assessment for each graduating class. The published results of that assessment shall include the overall composite scores, mean scores, twenty-fifth percentile scores, and seventy-fifth percentile scores for each subject area of the assessment.

(iii) Take an alternative assessment approved by the department under section 3313.619 of the Revised Code.

(b) A student who is excused from taking an assessment under division (C) of this section or has presented evidence to the chartered nonpublic school of having satisfied the condition prescribed by division (A)(1) of section 3313.618 of the Revised Code to qualify for a high school diploma prior to the date of the administration of the assessment prescribed under division (B)(1) of section 3301.0712 of the Revised Code shall not be required to take that assessment. No governing authority of a chartered nonpublic school shall prohibit a student who is not required to take such assessment from taking the assessment.

(4) For a student who is enrolled in any chartered nonpublic school in which at least seventy-five per cent of the enrolled students are children with disabilities receiving special education and related services in accordance with Chapter 3323. of the Revised Code, the student shall not be required to take any assessment prescribed under section 3301.0712 or 3313.619 of the Revised Code, provided the student's school submits an alternate assessment plan to the department of education, receives approval from the department to implement the plan, and implements the plan.

Division (L)(4) of this section applies to any student attending such school regardless of whether the student receives special education and related services and regardless of whether the student is attending the school under a state scholarship program. The school shall make available to the department any applicable internal student data on testing that can be used for state accountability purposes.

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(M)(1) The superintendent of the state school for the blind and the superintendent of the state school for the deaf shall administer the assessments described by sections 3301.0710 and 3301.0712 of the Revised Code. Each superintendent shall administer the assessments in the same manner as district boards are required to do under this section and rules adopted by the department of education and in conformity with division

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record. The department shall determine which questions will be needed for reuse on a future assessment and those questions shall not be public records and shall be redacted from the assessment prior to its release as a public record. However, for each redacted question, the department shall inform each city, local, and exempted village school district of the corresponding statewide academic standard adopted by the state board under section 3301.079 of the Revised Code and the corresponding benchmark to which the question relates. The department is not required to provide corresponding standards and benchmarks to field test questions that are redacted under division (O)(3) of this section.

(P) As used in this section:

(1) "Three-year average" means the average of the most recent consecutive three school years of data.

(2) "Dropout" means a student who withdraws from school before completing course requirements for graduation and who is not enrolled in an education program approved by the state board of education or an education program outside the state. "Dropout" does not include a student who has departed the country.

(3) "Graduation rate" means the ratio of students receiving a diploma to the number of students who entered ninth grade four years earlier. Students who transfer into the district are added to the calculation. Students who transfer out of the district for reasons other than dropout are subtracted from the calculation. If a student who was a dropout in any previous year returns to the same school district, that student shall be entered into the calculation as if the student had entered ninth grade four years before the graduation year of the graduating class that the student joins.

(4) "State scholarship programs" means the educational choice scholarship pilot program established under sections 3310.01 to 3310.17 of the Revised Code, the autism scholarship program established under section 3310.41 of the Revised Code, the Jon Peterson special needs scholarship program established under sections 3310.51 to 3310.64 of the Revised Code, and the pilot project scholarship program established under sections 3313.974 to 3313.979 of the Revised Code.

(5) "Other public school" means a community school established under Chapter 3314., a STEM school established under Chapter 3326., or a college-preparatory boarding school established under Chapter 3328. of the Revised Code.

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Sec. 3301.0712. (A) The state board of education, the superintendent of public instruction, and the chancellor of higher education shall develop a system of college and work ready assessments as described in division (B)

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nonteaching employees and for volunteers who have direct contact with students.

Sec. 3301.65. (A) The department of education, not later than the first day of May each year, shall submit to the joint education oversight committee of the house of representatives and senate, created in section 103.45 of the Revised Code, the manual containing the standards, procedures, timelines, and other requirements the department intends to use to review or audit the full-time equivalency student enrollment reporting by all school districts, community schools established under Chapter 3314., STEM schools established under Chapter 3326., and college-preparatory boarding schools established under Chapter 3328. of the Revised Code for the next school year.

(B) In addition to the requirement of division (A) of this section, not later than the first day of May each year that the department proposes changes to the manual, the department shall submit to the joint education oversight committee, and to each school district, community school, STEM school, and college-preparatory boarding school a detailed summary of the changes, specifically comparing the differences between the prior school year's manual and the proposed manual. The department shall post the summary and the proposed manual in a prominent location on the department's web site.

(C) In the event that the department fails to comply with this section or the specific timelines prescribed herein, or the joint education oversight committee, pursuant to division (D) of section 103.45 of the Revised Code, determines that schools are not reasonably capable of compliance with the proposed manual, the proposed manual shall be ineffective, and the department shall conduct its reviews or audits using the manual and accompanying standards, procedures, timelines, and other requirements from the previous school year.

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Sec. 3302.01. As used in this chapter:

(A) "Performance index score" means the average of the totals derived from calculations, for each subject area, of the weighted proportion of untested students and students scoring at each level of skill described in division (A)(2) of section 3301.0710 of the Revised Code on the state achievement assessments, as follows:

(1) For the assessments prescribed by division (A)(1) of section 3301.0710 of the Revised Code, the average for each of the subject areas of English language arts, mathematics, and science~~, and social studies~~.

(2) For the assessments prescribed by division (B)(1) of section 3301.0710 and division (B)(2) of section 3301.0712 of the Revised Code,

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exclude for each district or building any limited English proficient student who has been enrolled in United States schools for less than one full school year.

(L) Beginning with the 2015-2016 school year and at least once every three years thereafter, the state board of education shall review and may adjust the benchmarks for assigning letter grades to the performance measures and components prescribed under divisions (C)(3) and (D) of this section.

Sec. 3302.151. (A) Notwithstanding anything to the contrary in the Revised Code, a school district that qualifies under division (D) of this section shall be exempt from all of the following:

(1) The teacher qualification requirements under the third-grade reading guarantee, as prescribed under divisions (B)(3)(c) and (H) of section 3313.608 of the Revised Code. This exemption does not relieve a teacher from holding a valid Ohio license in a subject area and grade level determined appropriate by the board of education of that district.

(2) ~~The mentoring component of the Ohio teacher residency program established under division (A)(1) of section 3319.223 of the Revised Code, so long as the district utilizes a local approach to train and support new teachers;~~

~~(3)~~ Any provision of the Revised Code or rule or standard of the state board of education prescribing a minimum or maximum class size;

~~(4)~~(3) Any provision of the Revised Code or rule or standard of the state board requiring teachers to be licensed specifically in the grade level in which they are teaching, except unless otherwise prescribed by federal law. This exemption does not apply to special education teachers. Nor does this exemption relieve a teacher from holding a valid Ohio license in the subject area in which that teacher is teaching and at least some grade level determined appropriate by the district board.

(B)(1) Notwithstanding anything to the contrary in the Revised Code, including sections 3319.30 and 3319.36 of the Revised Code, the superintendent of a school district that qualifies under division (D) of this section may employ an individual who is not licensed as required by sections 3319.22 to 3319.30 of the Revised Code, but who is otherwise qualified based on experience, to teach classes in the district, so long as the board of education of the school district approves the individual's employment and provides mentoring and professional development opportunities to that individual, as determined necessary by the board.

(2) As a condition of employment under this section, an individual shall be subject to a criminal records check as prescribed by section 3319.391 of

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the Revised Code. In the manner prescribed by the department of education, the individual shall submit the criminal records check to the department and shall register with the department during the period in which the individual is employed by the district. The department shall use the information submitted to enroll the individual in the retained applicant fingerprint database, established under section 109.5721 of the Revised Code, in the same manner as any teacher licensed under sections 3319.22 to 3319.31 of the Revised Code.

(3) An individual employed pursuant to this division is subject to Chapter 3307. of the Revised Code.

If the department receives notification of the arrest or conviction of an individual employed under division (B) of this section, the department shall promptly notify the employing district and may take any action authorized under sections 3319.31 and 3319.311 of the Revised Code that it considers appropriate. No district shall employ any individual under division (B) of this section if the district learns that the individual has plead guilty to, has been found guilty by a jury or court of, or has been convicted of any of the offenses listed in division (C) of section 3319.31 of the Revised Code.

(C) Notwithstanding anything to the contrary in the Revised Code, noncompliance with any of the requirements listed in divisions (A) or (B) of this section shall not disqualify a school district that qualifies under division (D) of this section from receiving funds under Chapter 3317. of the Revised Code.

(D) In order for a city, local, or exempted village school district to qualify for the exemptions described in this section, the school district shall meet all of the following benchmarks on the most recent report card issued for that district under section 3302.03 of the Revised Code:

(1) The district received at least eighty-five per cent of the total possible points for the performance index score calculated under division (C)(1)(b) of that section;

(2) The district received a grade of an "A" for performance indicators met under division (C)(1)(c) of that section;

(3) The district has a four-year adjusted cohort graduation rate of at least ninety-three per cent and a five-year adjusted cohort graduation rate of at least ninety-five per cent, as calculated under division (C)(1)(d) of that section.

(E) A school district that meets the requirements prescribed by division (D) of this section shall be qualified for the exemptions prescribed by this section for three school years, beginning with the school year in which the qualifying report card is issued.

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(F) As used in this section, "license" has the same meaning as in section 3319.31 of the Revised Code.

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Sec. 3303.20. The superintendent of public instruction shall appoint a supervisor of agricultural education within the department of education. The supervisor shall be responsible for administering and disseminating to school districts information about agricultural education. The supervisor also may serve as the chair of the board of trustees of the Ohio FFA association, and may assist with the association's programs and activities in a manner that enables the association to maintain its state charter and to meet applicable requirements of the United States department of education and the national FFA organization. This assistance may include the provision of department personnel, services, and facilities.

The department shall maintain an appropriate number of full-time employees focusing on agricultural education. The department shall employ at least three program consultants who shall be available to provide assistance to school districts on a regional basis throughout the state. At least one consultant may coordinate local activities of the student organization known as the future farmers of America. Department employees may not receive compensation from the Ohio FFA association, but the department may be reimbursed by the association for reasonable expenses related to assistance provided under this section.

Sec. 3304.11. As used in sections 3304.11 to 3304.27 of the Revised Code:

(A) "~~Person~~ Eligible individual with a disability" means ~~any person with~~ an individual who has a physical or mental impairment that ~~is~~ constitutes or results in a substantial impediment to employment and who ~~can benefit in terms of an employment outcome from the provision of~~ requires vocational rehabilitation services to prepare for, secure, retain, advance in, or regain employment.

(B) "Physical or mental impairment" means ~~a physical or mental condition that materially limits, contributes to limiting or, if not corrected, will probably result in limiting a person's activities or functioning~~ any physiological, mental, or psychological disorder.

(C) "Substantial impediment to employment" means a physical or mental ~~disability that impedes a person's occupational performance, by preventing the person's obtaining, retaining, or preparing for a gainful occupation consistent with the person's capacities and~~ impairment that hinders an individual from preparing for, entering into, engaging in, advancing in, or retaining employment consistent with the individual's abilities and capabilities.

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Sec. 3310.522. In order to maintain eligibility for a scholarship, a student shall take each assessment prescribed by section 3301.0710, 3301.0712, or 3313.619 of the Revised Code, as applicable, in accordance with section 3301.0711 of the Revised Code, unless the student is excused from taking that assessment under federal law or the student's individualized education program or the student is enrolled in a chartered nonpublic school that meets the conditions specified in division (K)(2) or (L)(4) of section 3301.0711 of the Revised Code.

Each registered private provider that is not subject to division (K)(1) of section 3301.0711 of the Revised Code and enrolls a student who is awarded a scholarship shall administer each assessment prescribed by section 3301.0710, 3301.0712, or 3313.619 of the Revised Code, as applicable, to that student in accordance with section 3301.0711 of the Revised Code, unless the student is excused from taking that assessment or the student is enrolled in a chartered nonpublic school that meets the conditions specified in division (K)(2) or (L)(4) of section 3301.0711 of the Revised Code, and shall report to the department the results of each assessment so administered.

Nothing in this section requires any chartered nonpublic school that is a registered private provider to administer any achievement assessment, except for an Ohio graduation test prescribed by division (B)(1) of section 3301.0710 or the college and work ready assessment system prescribed by division (B) of section 3301.0712 of the Revised Code to any student enrolled in the school who is not a scholarship student.

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Sec. 3311.06. (A) As used in this section:

(1) "Annexation" and "annexed" mean annexation for municipal purposes under sections 709.02 to 709.37 of the Revised Code.

(2) "Annexed territory" means territory that has been annexed for municipal purposes to a city served by an urban school district, but on September 24, 1986, has not been transferred to the urban school district.

(3) "Urban school district" means a city school district with an average daily membership for the 1985-1986 school year in excess of twenty thousand that is the school district of a city that contains annexed territory.

(4) "Annexation agreement" means an agreement entered into under division (F) of this section that has been approved by the state board of education or an agreement entered into prior to September 24, 1986, that meets the requirements of division (F) of this section and has been filed with the state board.

(B) The territory included within the boundaries of a city, local, exempted village, or joint vocational school district shall be contiguous

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~~includes both high school and college level coursework, and enables the following students to earn a high school diploma and an associate degree, or the equivalent number of transcripted credits, upon successful completion of the program~~ partnership between at least one school district or school and at least one institution of higher education that allows participants to simultaneously complete requirements toward earning a regular high school diploma and have the opportunity to earn not less than twenty-four credits that are transferable to the institutions of higher education in the partnership as part of an organized course of study toward a post-secondary degree or credential at no cost to the participant or participant's family. The program also shall prioritize the following students:

(a) Students who are underrepresented in regard to completing post-secondary education;

(b) Students who are economically disadvantaged, as defined by the department of education;

(c) Students whose parents did not earn a college degree.

Sec. 3313.6023. The board of education of each school district shall provide training in the use of an automated external defibrillator to each person employed by that district, except for substitutes, adult education instructors who are scheduled to work the full-time equivalent of less than one hundred twenty days per school year, or persons who are employed on an as-needed, seasonal, or intermittent basis, so long as the persons are not employed to coach or supervise interscholastic athletics. This training may be incorporated into the in-service training required by division (A) of section 3319.073 of the Revised Code. For this purpose, the board shall use one of the instructional programs listed in divisions (B)(1) and (2) of section 3313.6021 of the Revised Code.

Each person to whom this section applies shall complete the training not later than July 1, 2018, and at least once every five years thereafter.

Sec. 3313.612. (A) No nonpublic school chartered by the state board of education shall grant a high school diploma to any person unless, subject to section 3313.614 of the Revised Code, the person has met the assessment requirements of division (A)(1) or (2) of this section, as applicable.

(1) If the person entered the ninth grade prior to July 1, 2014, the person has attained at least the applicable scores designated under division (B)(1) of section 3301.0710 of the Revised Code on all the assessments required by that division, or has satisfied the alternative conditions prescribed in section 3313.615 of the Revised Code.

(2) If the person entered the ninth grade on or after July 1, 2014, the person has met the requirement prescribed by section 3313.618 or 3313.619

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of the Revised Code.

(B) This section does not apply to any of the following:

(1) Any person with regard to any assessment from which the person was excused pursuant to division (C)(1)(c) of section 3301.0711 of the Revised Code;

(2) ~~Any~~ Except as provided in division (B)(4) of this section, any person who attends a nonpublic school accredited through the independent schools association of the central states, except for a student attending the school under a state scholarship program as defined in section 3301.0711 of the Revised Code.

(3) Any person with regard to the social studies assessment under division (B)(1) of section 3301.0710 of the Revised Code, any American history end-of-course examination and any American government end-of-course examination required under division (B) of section 3301.0712 of the Revised Code if such an exemption is prescribed by rule of the state board of education under division (D)(3) of section 3301.0712 of the Revised Code, or the citizenship test under former division (B) of section 3301.0710 of the Revised Code as it existed prior to September 11, 2001, if all of the following apply:

(a) The person is not a citizen of the United States;

(b) The person is not a permanent resident of the United States;

(c) The person indicates no intention to reside in the United States after completion of high school.

(4) Any person who attends a chartered nonpublic school in which at least seventy-five per cent of the enrolled students are children with disabilities receiving special education and related services in accordance with Chapter 3323. of the Revised Code and whose school has received approval from the department of education to administer an alternate assessment plan in accordance with division (L)(4) of section 3301.0711 of the Revised Code. In the case of such a student, the student's chartered nonpublic school shall determine the student's eligibility for graduation based on the standards of the school's accrediting body.

(C) As used in this division, "limited English proficient student" has the same meaning as in division (C)(3) of section 3301.0711 of the Revised Code.

Notwithstanding division (C)(3) of section 3301.0711 of the Revised Code, no limited English proficient student who has not either attained the applicable scores designated under division (B)(1) of section 3301.0710 of the Revised Code on all the assessments required by that division, or met the requirement prescribed by section 3313.618 or 3313.619 of the Revised

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Code, shall be awarded a diploma under this section.

(D) The state board shall not impose additional requirements or assessments for the granting of a high school diploma under this section that are not prescribed by this section.

(E) The department of education shall furnish the assessment administered by a nonpublic school pursuant to division (B)(1) of section 3301.0712 of the Revised Code.

Sec. 3313.618. (A) In addition to the applicable curriculum requirements, each student entering ninth grade for the first time on or after July 1, 2014, shall satisfy at least one of the following conditions in order to qualify for a high school diploma:

(1) Be remediation-free, in accordance with standards adopted under division (F) of section 3345.061 of the Revised Code, on each of the nationally standardized assessments in English, mathematics, and reading;

(2) Attain a score specified under division (B)(5)(c) of section 3301.0712 of the Revised Code on the end-of-course examinations prescribed under division (B) of section 3301.0712 of the Revised Code.

(3) Attain a score that demonstrates workforce readiness and employability on a nationally recognized job skills assessment selected by the state board of education under division (G) of section 3301.0712 of the Revised Code and obtain either an industry-recognized credential, as described under division (B)(2)(d) of section 3302.03 of the Revised Code, or a license issued by a state agency or board for practice in a vocation that requires an examination for issuance of that license.

~~The state board shall approve the industry-recognized credentials and licenses that may qualify a student for a high school diploma under division (A)(3) of this section.~~ The industry-recognized credentials and licenses shall be as approved under section 3313.6113 of the Revised Code.

A student may choose to qualify for a high school diploma by satisfying any of the separate requirements prescribed by divisions (A)(1) to (3) of this section. If the student's school district or school does not administer the examination prescribed by one of those divisions that the student chooses to take to satisfy the requirements of this section, the school district or school may require that student to arrange for the applicable scores to be sent directly to the district or school by the company or organization that administers the examination.

(B) The state board of education shall not create or require any additional assessment for the granting of any type of high school diploma other than as prescribed by this section. Except as provided in ~~section~~ sections 3313.6111 and 3313.6112 of the Revised Code, the state board or

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community school for which no graded performance measures are applicable or available, the department shall use nonreport card performance measures specified in the contract between the community school and the sponsor under division (A)(4) of section 3314.03 of the Revised Code.

If the department uses a component prescribed under division (C)(3) of section 3302.03 of the Revised Code to calculate the academic performance component specified under division (B)(1)(a) of this section, the department shall weight the progress component specified under division (C)(3)(c) of section 3302.03 of the Revised Code at sixty per cent of the total score for the academic performance component under this section.

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(b) Adherence by a sponsor to the quality practices prescribed by the department under division (B)(3) of this section. For a sponsor that was rated "effective" or "exemplary" on its most recent rating, the department may evaluate that sponsor's adherence to quality practices once over a period of three years. If the department elects to evaluate a sponsor once over a period of three years, the most recent rating for a sponsor's adherence to quality practices shall be used when determining an annual overall rating conducted under this section.

(c) Compliance with all applicable laws and administrative rules by an entity that sponsors a community school.

(2) In calculating an academic performance component, the department shall exclude all community schools that have been in operation for not more than two full school years and all community schools described in division (A)(4)(b) of section 3314.35 of the Revised Code. However, the academic performance of the community schools described in division (A)(4)(b) of section 3314.35 of the Revised Code shall be reported, but shall not be used as a factor when determining a sponsoring entity's rating under this section.

(3) The department, in consultation with entities that sponsor community schools, shall prescribe quality practices for community school sponsors and develop an instrument to measure adherence to those quality practices. The quality practices shall be based on standards developed by the national association of charter school authorizers or any other nationally organized community school organization.

(4)(a) The department may permit peer review of a sponsor's adherence to the quality practices prescribed under division (B)(3) of this section. Peer reviewers shall be limited to individuals employed by sponsors rated "effective" or "exemplary" on the most recent ratings conducted under this section.

(b) The department shall require individuals participating in peer review

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under division (B)(4)(a) of this section to complete training approved or established by the department.

(c) The department may enter into an agreement with another entity to provide training to individuals conducting peer review of sponsors. Prior to entering into an agreement with an entity, the department shall review and approve of the entity's training program.

(5) Not later than July 1, 2013, the state board of education shall adopt rules in accordance with Chapter 119. of the Revised Code prescribing standards for measuring compliance with applicable laws and rules under division (B)(1)(c) of this section.

(6) The department annually shall rate all entities that sponsor community schools as either "exemplary," "effective," "ineffective," or "poor," based on the components prescribed by division (B) of this section, where each component is weighted equally. A separate rating shall be given by the department for each component of the evaluation system.

The department shall publish the ratings between the first day of October and the fifteenth day of ~~October~~ November.

Prior to the publication of the final ratings, the department shall designate and provide notice of a period of at least ten business days during which each sponsor may review the information used by the department to determine the sponsor's rating on the components prescribed by divisions (B)(1)(b) and (c) of this section. If the sponsor believes there is an error in the department's evaluation, the sponsor may request adjustments to the rating of either of those components based on documentation previously submitted as part of an evaluation. The sponsor shall provide to the department any necessary evidence or information to support the requested adjustments. The department shall review the evidence and information, determine whether an adjustment is valid, and promptly notify the sponsor of its determination and reasons. If any adjustments to the data could result in a change to the rating on the applicable component or to the overall rating, the department shall recalculate the ratings prior to publication.

The department shall provide training on an annual basis regarding the evaluation system prescribed under this section. The training shall, at a minimum, describe methodology, timelines, and data required for the evaluation system. The first training session shall occur not later than ~~thirty days after the effective date of this section~~ March 2, 2016. Beginning in 2018, the training shall be made available to each entity that sponsors a community school by the fifteenth day of July of each year and shall include guidance on any changes made to the evaluation system.

If the department uses a points system to determine component ratings JRK

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and overall ratings under this section, the department shall not assign an automatic overall rating to an entity based solely on the entity receiving an equivalent score of zero points on one or more of the individual components prescribed in division (B)(1)(b) or (c) of this section. An overall rating shall be the cumulative score of the individual components prescribed under this section unless the entity receives a score of zero on the academic performance component prescribed in division (B)(1)(a) of this section.

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(7)(a) Entities with an overall rating of "exemplary" for at least two consecutive years may take advantage of the following incentives:

(i) Renewal of the written agreement with the department, not to exceed ten years, provided that the entity consents to continued evaluation of adherence to quality practices as described in division (B)(1)(b) of this section;

(ii) The ability to extend the term of the contract between the sponsoring entity and the community school beyond the term described in the written agreement with the department;

(iii) An exemption from the preliminary agreement and contract adoption and execution deadline requirements prescribed in division (D) of section 3314.02 of the Revised Code;

(iv) An exemption from the automatic contract expiration requirement, should a new community school fail to open by the thirtieth day of September of the calendar year in which the community school contract is executed;

(v) No limit on the number of community schools the entity may sponsor;

(vi) No territorial restrictions on sponsorship.

An entity may continue to sponsor any community schools with which it entered into agreements under division (B)(7)(a)(v) or (vi) of this section while rated "exemplary," notwithstanding the fact that the entity later receives a lower overall rating.

(b)(i) Entities that receive an overall rating of "ineffective" shall be prohibited from sponsoring any new or additional community schools during the time in which the sponsor is rated as "ineffective" and shall be subject to a quality improvement plan based on correcting the deficiencies that led to the "ineffective" rating, with timelines and benchmarks that have been established by the department.

(ii) Entities that receive an overall rating of "ineffective" on their three most recent ratings shall have all sponsorship authority revoked. Within thirty days after receiving its third rating of "ineffective," the entity may appeal the revocation of its sponsorship authority to the superintendent of

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public instruction, who shall appoint an independent hearing officer to conduct a hearing in accordance with Chapter 119. of the Revised Code. The hearing shall be conducted within thirty days after receipt of the notice of appeal. Within forty-five days after the hearing is completed, the state board of education shall determine whether the revocation is appropriate based on the hearing conducted by the independent hearing officer, and if determined appropriate, the revocation shall be confirmed.

(c) Entities that receive an overall rating of "poor" shall have all sponsorship authority revoked. Within thirty days after receiving a rating of "poor," the entity may appeal the revocation of its sponsorship authority to the superintendent of public instruction, who shall appoint an independent hearing officer to conduct a hearing in accordance with Chapter 119. of the Revised Code. The hearing shall be conducted within thirty days after receipt of the notice of appeal. Within forty-five days after the hearing is completed, the state board of education shall determine whether the revocation is appropriate based on the hearing conducted by the independent hearing officer, and if determined appropriate, the revocation shall be confirmed.

(d) Notwithstanding division (F)(3) of section 3314.02 of the Revised Code and the agreement entered into with the department under section 3314.015 of the Revised Code, an entity that is an educational service center that receives an overall rating of "effective" or higher may sponsor a community school regardless of whether it is located in a county within the service territory of the service center or in a contiguous county. JRI

(8) For the 2014-2015 school year and each school year thereafter, student academic performance prescribed under division (B)(1)(a) of this section shall include student academic performance data from community schools that primarily serve students enrolled in a dropout prevention and recovery program.

(C) If the governing authority of a community school enters into a contract with a sponsor prior to the date on which the sponsor is prohibited from sponsoring additional schools under division (A) of this section and the school has not opened for operation as of that date, that contract shall be void and the school shall not open until the governing authority secures a new sponsor by entering into a contract with the new sponsor under section 3314.03 of the Revised Code. However, the department's office of Ohio school sponsorship, established under section 3314.029 of the Revised Code, may assume the sponsorship of the school until the earlier of the expiration of two school years or until a new sponsor is secured by the school's governing authority. A community school sponsored by the

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this section, the commission may reduce that district's portion of the basic project cost by twenty-five percentage points from the portion determined under section 3318.032 of the Revised Code or, if the district results from a transfer, merger, consolidation, or creation of a new local district that takes effect prior to ~~the effective date of this section~~ April 6, 2017, from the portion determined under division (B)(1) of this section. At no time, however, shall that district's portion of the basic project cost be less than five per cent.

(3) If an eligible school district is given priority under division (B)(1) of this section, the commission may reduce that district's portion of the basic project cost by ten percentage points from the portion determined under section 3318.032 of the Revised Code or, if the district results from a transfer, merger, consolidation, or creation of a new local district that takes effect prior to ~~the effective date of this section~~ April 6, 2017, from the portion determined under division (B)(1) of this section, if the district's project satisfies the following conditions:

(a) The project involves construction of a building on land owned by a state institution of higher education, as that term is defined in section 3345.011 of the Revised Code, and the commission approves the project.

(b) The district and the state institution of higher education enter into a written agreement regarding the continued use of the institution's land by the district, and the commission approves the agreement.

(c) On the date that the district and the state institution of higher education enter into the written agreement described in division (B)(3)(b) of this section, the state institution of higher education is participating in the college credit plus program established under Chapter 3365. of the Revised Code.

At no time, however, shall that district's portion of the basic project cost be less than five per cent.

The reduction of the district's portion of the basic project cost described in division (B)(3) of this section may be in addition to a reduction of the district's portion of the basic project cost under division (B)(2) of this section.

(C) Except as provided in division (B) of this section, a district's project undertaken pursuant to this section shall be subject to all other requirements in sections 3318.01 to 3318.20 of the Revised Code.

Sec. 3318.037. (A) For purposes of this section, an "eligible school district" is a school district that satisfies all of the following conditions:

(1) The district executed an agreement for a project under sections 3318.01 to 3318.20 of the Revised Code that was segmented under section

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3318.034 of the Revised Code.

(2) The district has undertaken one or more segments of that project and has applied to the Ohio facilities construction commission for funding for a subsequent segment of the project.

(3) Since the original project agreement described in division (A)(1) of this section was executed, the district has experienced a decrease in its adjusted valuation per pupil, as determined annually under section 3318.011 of the Revised Code, such that, as of the date the district submits its application for a subsequent segment of the project as described in division (A)(2) of this section, the district's annual percentile ranking under that section is lower than its percentile ranking on the date the district executed the original agreement for the project.

(B) Notwithstanding anything to the contrary in this chapter or in any rule of the commission, an eligible school district's portion of the cost for a subsequent segment of its project shall be the "required percentage of the basic project costs" based on the district's current percentile ranking for the fiscal year for which the district seeks funding for the segment.

Upon determining the respective state and district portions of the basic project cost for the segment pursuant to this section, the commission and the district shall amend the project agreement to stipulate those portions, and the commission shall encumber funds for the segment in accordance with section 3318.11 of the Revised Code.

(C) Nothing in this section shall affect the respective state and district portions of the basic project cost of segments of a district's project undertaken prior to the district's application for funding for a subsequent segment of the project under this section.

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Sec. 3318.04. (A) If the Ohio ~~school~~ facilities construction commission makes a determination under section 3318.03 of the Revised Code in favor of constructing, acquiring, reconstructing, or making additions to a classroom facility, the project shall be conditionally approved. Such conditional approval shall be submitted to the controlling board for approval thereof. The controlling board shall forthwith approve or reject the commission's determination, conditional approval, the amount of the state's portion of the basic project cost, and, the amount of the state's portion to be encumbered in the current fiscal year. In the event of approval thereof by the controlling board, the commission shall certify such conditional approval to the school district board and shall encumber from the total funds appropriated for the purpose of sections 3318.01 to 3318.20 of the Revised Code the amount approved under this section to be encumbered in the current fiscal year.

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(2) Calculate for each school district the three-year average of the valuations per pupil calculated for the school district for the current and two preceding fiscal years;

(3) Rank all joint vocational school districts in order from the school district with the lowest three-year average valuation per pupil to the school district with the highest three-year average valuation per pupil;

(4) Divide the ranking under division (A)(3) of this section into percentiles with the first percentile containing the one per cent of school districts having the lowest three-year average valuations per pupil and the one-hundredth percentile containing the one per cent of school districts having the highest three-year average valuations per pupil;

(5) Certify the information described in divisions (A)(1) to (4) of this section to the Ohio ~~school~~ facilities construction commission.

(B) The commission annually shall select school districts for assistance under sections 3318.40 to 3318.45 of the Revised Code in the order of the school districts' three-year average valuations per pupil such that the school district with the lowest three-year average valuation per pupil shall be given the highest priority for assistance.

(C) Each joint vocational school district's portion of the basic project cost of the school district's project under sections 3318.40 to 3318.45 of the Revised Code shall be one per cent times the percentile in which the district ranks, except that no school district's portion shall be less than twenty-five per cent or greater than ninety-five per cent of the basic project cost.

Sec. 3318.421. A project under this section shall proceed in the manner prescribed in sections 3318.40 to 3318.45 of the Revised Code except as otherwise specified by this section.

In addition to any joint vocational school districts selected in accordance with section 3318.40 of the Revised Code, the Ohio facilities construction commission may select one joint vocational school district in fiscal year 2018 and one joint vocational school district in fiscal year 2019 for assistance to do one or both of the following:

(A) Construct a new complete classroom facility as a replacement for one or more of the facilities currently operated by the district;

(B) Renovate the district's existing facilities.

The selection shall be made through a competitive process that allows any joint vocational school district in this state to apply for assistance under this section.

The commission shall select for assistance under this section a district that has a compelling need for new construction and that demonstrates to the satisfaction of the commission that the project is necessary for the district to

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meet the workforce deficiency or demand in the local community or a local industry. The commission may consult with other state agencies, public entities, nonprofit organizations, private corporations, or the JobsOhio nonprofit corporation formed under section 187.01 of the Revised Code in making its determination.

Except as provided in this section, the district's portion of the basic project cost shall be determined in accordance with division (C) of section 3318.42 of the Revised Code. If the district's portion of the basic project cost is greater than fifty per cent, the Ohio facilities construction commission shall decrease the district's portion so that it is equal to fifty per cent. At no time, however, shall the state share of the basic project cost exceed $26,000,000.

Notwithstanding anything to the contrary in section 3318.40 of the Revised Code, the commission may set aside from funds appropriated to it for classroom facilities assistance projects under this chapter an amount each fiscal year adequate for this section.

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Sec. 3318.43. Each year for twenty-three successive years after the commencement of a joint vocational school district's project under sections 3318.40 to 3318.45 of the Revised Code, the board of education of that school district shall deposit into a separate maintenance account or into the school district's capital and maintenance fund established under section 3315.18 of the Revised Code, school district moneys dedicated to maintenance of the classroom facilities acquired under sections 3318.40 to 3318.45 of the Revised Code in an amount equal to one and one-half of one per cent of the current insurance value of the classroom facilities acquired under the project, which value shall be subject to the approval of the Ohio ~~school~~ facilities construction commission.

Sec. 3318.46. By rule adopted in accordance with section 111.15 of the Revised Code, the Ohio ~~school~~ facilities construction commission shall establish a program whereby the board of education of any joint vocational school district may enter into an agreement with the commission under which the board may proceed with the new construction or major repairs of a part of the school district's classroom facilities needs, as determined under sections 3318.40 to 3318.45 of the Revised Code, through the expenditure of local resources prior to the school district's eligibility for state assistance under sections 3318.40 to 3318.45 of the Revised Code. The program shall be structured in a manner similar to the program established under section 3318.36 of the Revised Code. The program shall be operational on July 1, 2004.

Sec. 3318.48. (A) When all of the following have occurred, a project

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or when required to testify in a court or proceedings, any personal information concerning any pupil in the school district which was obtained or obtainable by the educational assistant while so employed. Violation of this provision is grounds for disciplinary action or dismissal, or both.

(F) Notwithstanding anything to the contrary in this section, the superintendent of a school district may allow an employee who does not hold a permit or license issued under this section to work as a substitute for an educational assistant who is absent on account of illness or on a leave of absence, or to fill a temporary position created by an emergency, provided that the superintendent believes the employee's application materials indicate that the employee is qualified to obtain a permit or license under this section.

An employee shall begin work as a substitute under this division not earlier than on the date on which the employee files an application with the state board for a permit or license under this section. An employee shall cease working as a substitute under this division on the earliest of the following:

(1) The date on which the employee files a valid permit or license issued under this section with the superintendent;

(2) The date on which the employee is denied a permit or license under this section;

(3) Sixty days following the date on which the employee began work as a substitute under this division.

The superintendent shall ensure that an employee assigned to work as a substitute under division (F) of this section has undergone a criminal records check in accordance with section 3319.391 of the Revised Code.

Sec. 3319.111. Notwithstanding section 3319.09 of the Revised Code, this section applies to any person who is employed under a teacher license issued under this chapter, or under a professional or permanent teacher's certificate issued under former section 3319.222 of the Revised Code, and who spends at least fifty per cent of the time employed providing student instruction. However, this section does not apply to any person who is employed as a substitute teacher or as an instructor of adult education.

(A) Not later than July 1, 2013, the board of education of each school district, in consultation with teachers employed by the board, shall adopt a standards-based teacher evaluation policy that conforms with the framework for evaluation of teachers developed under section 3319.112 of the Revised Code. The policy shall become operative at the expiration of any collective bargaining agreement covering teachers employed by the board that is in effect on September 29, 2011, and shall be included in any renewal or

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extension of such an agreement.

(B) When using measures of student academic growth as a component of a teacher's evaluation, those measures shall include the value-added progress dimension prescribed by section 3302.021 of the Revised Code or an alternative student academic progress measure if adopted under division (C)(1)(e) of section 3302.03 of the Revised Code. For teachers of grade levels and subjects for which the value-added progress dimension or alternative student academic progress measure is not applicable, the board shall administer assessments on the list developed under division (B)(2) of section 3319.112 of the Revised Code.

(C)(1) The board shall conduct an evaluation of each teacher employed by the board at least once each school year, except as provided in division (C)(2) of this section. The evaluation shall be completed by the first day of May and the teacher shall receive a written report of the results of the evaluation by the tenth day of May.

(2)(a) The board may evaluate each teacher who received a rating of accomplished on the teacher's most recent evaluation conducted under this section once every three school years, so long as the teacher's student academic growth measure, for the most recent school year for which data is available, is average or higher, as determined by the department of education.

(b) The board may evaluate each teacher who received a rating of skilled on the teacher's most recent evaluation conducted under this section once every two years, so long as the teacher's student academic growth measure, for the most recent school year for which data is available, is average or higher, as determined by the department of education.

(c) For each teacher who is evaluated pursuant to division (C)(2) of this section, the evaluation shall be completed by the first day of May of the applicable school year, and the teacher shall receive a written report of the results of the evaluation by the tenth day of May of that school year.

(d) Beginning with the 2014-2015 school year, the board may elect not to conduct an evaluation of a teacher who meets one of the following requirements:

(i) The teacher was on leave from the school district for fifty per cent or more of the school year, as calculated by the board.

(ii) The teacher has submitted notice of retirement and that notice has been accepted by the board not later than the first day of December of the school year in which the evaluation is otherwise scheduled to be conducted.

~~(e) Beginning with the 2017-2018 school year, the board may elect not to conduct an evaluation of a teacher who is participating in the teacher~~

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~~residency program established under section 3319.223 of the Revised Code for the year during which that teacher takes, for the first time, at least half of the performance-based assessment prescribed by the state board of education for resident educators.~~

(3) In any year that a teacher is not formally evaluated pursuant to division (C) of this section as a result of receiving a rating of accomplished or skilled on the teacher's most recent evaluation, an individual qualified to evaluate a teacher under division (D) of this section shall conduct at least one observation of the teacher and hold at least one conference with the teacher.

(D) Each evaluation conducted pursuant to this section shall be conducted by one or more of the following persons who hold a credential established by the department of education for being an evaluator:

(1) A person who is under contract with the board pursuant to section 3319.01 or 3319.02 of the Revised Code and holds a license designated for being a superintendent, assistant superintendent, or principal issued under section 3319.22 of the Revised Code;

(2) A person who is under contract with the board pursuant to section 3319.02 of the Revised Code and holds a license designated for being a vocational director, administrative specialist, or supervisor in any educational area issued under section 3319.22 of the Revised Code;

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(3) A person designated to conduct evaluations under an agreement entered into by the board, including an agreement providing for peer review entered into by the board and representatives of teachers employed by the board;

(4) A person who is employed by an entity contracted by the board to conduct evaluations and who holds a license designated for being a superintendent, assistant superintendent, principal, vocational director, administrative specialist, or supervisor in any educational area issued under section 3319.22 of the Revised Code or is qualified to conduct evaluations.

(E) Notwithstanding division (A)(3) of section 3319.112 of the Revised Code:

(1) The board shall require at least three formal observations of each teacher who is under consideration for nonrenewal and with whom the board has entered into a limited contract or an extended limited contract under section 3319.11 of the Revised Code.

(2) The board may elect, by adoption of a resolution, to require only one formal observation of a teacher who received a rating of accomplished on the teacher's most recent evaluation conducted under this section, provided the teacher completes a project that has been approved by the board to

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demonstrate the teacher's continued growth and practice at the accomplished level.

(F) The board shall include in its evaluation policy procedures for using the evaluation results for retention and promotion decisions and for removal of poorly performing teachers. Seniority shall not be the basis for a decision to retain a teacher, except when making a decision between teachers who have comparable evaluations.

(G) For purposes of section 3333.0411 of the Revised Code, the board annually shall report to the department of education the number of teachers for whom an evaluation was conducted under this section and the number of teachers assigned each rating prescribed under division (B)(1) of section 3319.112 of the Revised Code, aggregated by the teacher preparation programs from which and the years in which the teachers graduated. The department shall establish guidelines for reporting the information required by this division. The guidelines shall not permit or require that the name of, or any other personally identifiable information about, any teacher be reported under this division.

(H) Notwithstanding any provision to the contrary in Chapter 4117. of the Revised Code, the requirements of this section prevail over any conflicting provisions of a collective bargaining agreement entered into on or after September 24, 2012.

Sec. 3319.22. (A)(1) The state board of education shall issue the following educator licenses:

(a) A resident educator license, which shall be valid for four years and shall be renewable ~~for reasons specified by rules adopted by the state board pursuant to division (A)(3) of this section. The state board, on a case-by-case basis, may extend the license's duration as necessary to enable the license holder to complete the Ohio teacher residency program established under section 3319.223 of the Revised Code~~;

(b) A professional educator license, which shall be valid for five years and shall be renewable;

(c) A senior professional educator license, which shall be valid for five years and shall be renewable;

(d) A lead professional educator license, which shall be valid for five years and shall be renewable.

(2) The state board may issue any additional educator licenses of categories, types, and levels the board elects to provide.

(3) The state board shall adopt rules establishing the standards and requirements for obtaining each educator license issued under this section. ~~The rules shall also include the reasons for which a resident educator license~~

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~~may be renewed under division (A)(1)(a) of this section.~~

(B) The rules adopted under this section shall require at least the following standards and qualifications for the educator licenses described in division (A)(1) of this section:

(1) An applicant for a resident educator license shall hold at least a bachelor's degree from an accredited teacher preparation program or be a participant in the teach for America program and meet the qualifications required under section 3319.227 of the Revised Code.

(2) An applicant for a professional educator license shall:

(a) Hold at least a bachelor's degree from an institution of higher education accredited by a regional accrediting organization;

(b) Have ~~successfully completed the Ohio teacher residency program established under section 3319.223 of the Revised Code, if the applicant's current or most recently issued license is~~ previously held a resident educator license issued under this section or an alternative resident educator license issued under section 3319.26 of the Revised Code.

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(3) An applicant for a senior professional educator license shall:

(a) Hold at least a master's degree from an institution of higher education accredited by a regional accrediting organization;

(b) Have previously held a professional educator license issued under this section or section 3319.222 or under former section 3319.22 of the Revised Code;

(c) Meet the criteria for the accomplished or distinguished level of performance, as described in the standards for teachers adopted by the state board under section 3319.61 of the Revised Code.

(4) An applicant for a lead professional educator license shall:

(a) Hold at least a master's degree from an institution of higher education accredited by a regional accrediting organization;

(b) Have previously held a professional educator license or a senior professional educator license issued under this section or a professional educator license issued under section 3319.222 or former section 3319.22 of the Revised Code;

(c) Meet the criteria for the distinguished level of performance, as described in the standards for teachers adopted by the state board under section 3319.61 of the Revised Code;

(d) Either hold a valid certificate issued by the national board for professional teaching standards or meet the criteria for a master teacher or other criteria for a lead teacher adopted by the educator standards board under division (F)(4) or (5) of section 3319.61 of the Revised Code.

(C) The state board shall align the standards and qualifications for

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obtaining a principal license with the standards for principals adopted by the state board under section 3319.61 of the Revised Code.

(D) If the state board requires any examinations for educator licensure, the department of education shall provide the results of such examinations received by the department to the chancellor of higher education, in the manner and to the extent permitted by state and federal law.

(E) Any rules the state board of education adopts, amends, or rescinds for educator licenses under this section, division (D) of section 3301.07 of the Revised Code, or any other law shall be adopted, amended, or rescinded under Chapter 119. of the Revised Code except as follows:

(1) Notwithstanding division (E) of section 119.03 and division (A)(1) of section 119.04 of the Revised Code, in the case of the adoption of any rule or the amendment or rescission of any rule that necessitates institutions' offering preparation programs for educators and other school personnel that are approved by the chancellor of higher education under section 3333.048 of the Revised Code to revise the curriculum of those programs, the effective date shall not be as prescribed in division (E) of section 119.03 and division (A)(1) of section 119.04 of the Revised Code. Instead, the effective date of such rules, or the amendment or rescission of such rules, shall be the date prescribed by section 3333.048 of the Revised Code.

(2) Notwithstanding the authority to adopt, amend, or rescind emergency rules in division (G) of section 119.03 of the Revised Code, this authority shall not apply to the state board of education with regard to rules for educator licenses.

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(F)(1) The rules adopted under this section establishing standards requiring additional coursework for the renewal of any educator license shall require a school district and a chartered nonpublic school to establish local professional development committees. In a nonpublic school, the chief administrative officer shall establish the committees in any manner acceptable to such officer. The committees established under this division shall determine whether coursework that a district or chartered nonpublic school teacher proposes to complete meets the requirement of the rules. The department of education shall provide technical assistance and support to committees as the committees incorporate the professional development standards adopted by the state board of education pursuant to section 3319.61 of the Revised Code into their review of coursework that is appropriate for license renewal. The rules shall establish a procedure by which a teacher may appeal the decision of a local professional development committee.

(2) In any school district in which there is no exclusive representative

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established under Chapter 4117. of the Revised Code, the professional development committees shall be established as described in division (F)(2) of this section.

Not later than the effective date of the rules adopted under this section, the board of education of each school district shall establish the structure for one or more local professional development committees to be operated by such school district. The committee structure so established by a district board shall remain in effect unless within thirty days prior to an anniversary of the date upon which the current committee structure was established, the board provides notice to all affected district employees that the committee structure is to be modified. Professional development committees may have a district-level or building-level scope of operations, and may be established with regard to particular grade or age levels for which an educator license is designated.

Each professional development committee shall consist of at least three classroom teachers employed by the district, one principal employed by the district, and one other employee of the district appointed by the district superintendent. For committees with a building-level scope, the teacher and principal members shall be assigned to that building, and the teacher members shall be elected by majority vote of the classroom teachers assigned to that building. For committees with a district-level scope, the teacher members shall be elected by majority vote of the classroom teachers of the district, and the principal member shall be elected by a majority vote of the principals of the district, unless there are two or fewer principals employed by the district, in which case the one or two principals employed shall serve on the committee. If a committee has a particular grade or age level scope, the teacher members shall be licensed to teach such grade or age levels, and shall be elected by majority vote of the classroom teachers holding such a license and the principal shall be elected by all principals serving in buildings where any such teachers serve. The district superintendent shall appoint a replacement to fill any vacancy that occurs on a professional development committee, except in the case of vacancies among the elected classroom teacher members, which shall be filled by vote of the remaining members of the committee so selected.

Terms of office on professional development committees shall be prescribed by the district board establishing the committees. The conduct of elections for members of professional development committees shall be prescribed by the district board establishing the committees. A professional development committee may include additional members, except that the majority of members on each such committee shall be classroom teachers

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employed by the district. Any member appointed to fill a vacancy occurring prior to the expiration date of the term for which a predecessor was appointed shall hold office as a member for the remainder of that term.

The initial meeting of any professional development committee, upon election and appointment of all committee members, shall be called by a member designated by the district superintendent. At this initial meeting, the committee shall select a chairperson and such other officers the committee deems necessary, and shall adopt rules for the conduct of its meetings. Thereafter, the committee shall meet at the call of the chairperson or upon the filing of a petition with the district superintendent signed by a majority of the committee members calling for the committee to meet.

(3) In the case of a school district in which an exclusive representative has been established pursuant to Chapter 4117. of the Revised Code, professional development committees shall be established in accordance with any collective bargaining agreement in effect in the district that includes provisions for such committees.

If the collective bargaining agreement does not specify a different method for the selection of teacher members of the committees, the exclusive representative of the district's teachers shall select the teacher members.

If the collective bargaining agreement does not specify a different structure for the committees, the board of education of the school district shall establish the structure, including the number of committees and the number of teacher and administrative members on each committee; the specific administrative members to be part of each committee; whether the scope of the committees will be district levels, building levels, or by type of grade or age levels for which educator licenses are designated; the lengths of terms for members; the manner of filling vacancies on the committees; and the frequency and time and place of meetings. However, in all cases, except as provided in division (F)(4) of this section, there shall be a majority of teacher members of any professional development committee, there shall be at least five total members of any professional development committee, and the exclusive representative shall designate replacement members in the case of vacancies among teacher members, unless the collective bargaining agreement specifies a different method of selecting such replacements.

(4) Whenever an administrator's coursework plan is being discussed or voted upon, the local professional development committee shall, at the request of one of its administrative members, cause a majority of the committee to consist of administrative members by reducing the number of teacher members voting on the plan.

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(G)(1) The department of education, educational service centers, county boards of developmental disabilities, regional professional development centers, special education regional resource centers, college and university departments of education, head start programs, and the Ohio education computer network may establish local professional development committees to determine whether the coursework proposed by their employees who are licensed or certificated under this section or section 3319.222 of the Revised Code, or under the former version of either section as it existed prior to October 16, 2009, meet the requirements of the rules adopted under this section. They may establish local professional development committees on their own or in collaboration with a school district or other agency having authority to establish them.

Local professional development committees established by county boards of developmental disabilities shall be structured in a manner comparable to the structures prescribed for school districts in divisions (F)(2) and (3) of this section, as shall the committees established by any other entity specified in division (G)(1) of this section that provides educational services by employing or contracting for services of classroom teachers licensed or certificated under this section or section 3319.222 of the Revised Code, or under the former version of either section as it existed prior to October 16, 2009. All other entities specified in division (G)(1) of this section shall structure their committees in accordance with guidelines which shall be issued by the state board.

(2) Any public agency that is not specified in division (G)(1) of this section but provides educational services and employs or contracts for services of classroom teachers licensed or certificated under this section or section 3319.222 of the Revised Code, or under the former version of either section as it existed prior to October 16, 2009, may establish a local professional development committee, subject to the approval of the department of education. The committee shall be structured in accordance with guidelines issued by the state board.

(H) Not later than July 1, 2016, the state board, in accordance with Chapter 119. of the Revised Code, shall adopt rules pursuant to division (A)(3) of this section that do both of the following:

(1) Exempt consistently high-performing teachers from the requirement to complete any additional coursework for the renewal of an educator license issued under this section or section 3319.26 of the Revised Code. The rules also shall specify that such teachers are exempt from any requirements prescribed by professional development committees established under divisions (F) and (G) of this section.

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(2) For purposes of division (H)(1) of this section, the state board shall define the term "consistently high-performing teacher.

Sec. 3319.227. (A) Notwithstanding any other provision of the Revised Code or any rule adopted by the state board of education to the contrary, the state board shall issue a resident educator license under section 3319.22 of the Revised Code to each person who is assigned to teach in this state as a participant in the teach for America program and who satisfies the following conditions for the duration of the program:

(1) Holds a bachelor's degree from an accredited institution of higher education;

(2) Maintained a cumulative undergraduate grade point average of at least 2.5 out of 4.0, or its equivalent;

(3) Has passed an examination prescribed by the state board in the subject area to be taught;

(4) Has successfully completed the summer training institute operated by teach for America;

(5) Remains an active member of the teach for America two-year support program.

(B) The state board shall issue a resident educator license under this section for teaching in any grade level or subject area for which a person may obtain a resident educator license under section 3319.22 of the Revised Code. The state board shall not adopt rules establishing any additional qualifications for the license beyond those specified in this section.

(C) Notwithstanding any other provision of the Revised Code or any rule adopted by the state board to the contrary, the state board shall issue a resident educator license under section 3319.22 of the Revised Code to any applicant who has completed at least two years of teaching in another state as a participant in the teach for America program and meets all of the conditions of divisions (A)(1) to (4) of this section. ~~The state board shall credit an applicant under this division as having completed two years of the teacher residency program under section 3319.223 of the Revised Code.~~

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(D) In order to place teachers in this state, the teach for America program shall enter into an agreement with one or more accredited four-year public or private institutions of higher education in the state to provide optional training of teach for America participants for the purpose of enabling those participants to complete an optional master's degree or an equivalent amount of coursework. Nothing in this division shall require any teach for America participant to complete a master's degree as a condition of holding a license issued under this section.

(E) The state board shall revoke a resident educator license issued to a

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participant in the teach for America program who is assigned to teach in this state if the participant resigns or is dismissed from the program prior to completion of the two-year teach for America support program.

Sec. 3319.26. (A) The state board of education shall adopt rules establishing the standards and requirements for obtaining an alternative resident educator license for teaching in grades kindergarten to twelve, or the equivalent, in a designated subject area or in the area of intervention specialist, as defined by rule of the state board. The rules shall also include the reasons for which an alternative resident educator license may be renewed under division (D) of this section.

(B) The superintendent of public instruction and the chancellor of ~~the Ohio board of regents~~ higher education jointly shall develop an intensive pedagogical training institute to provide instruction in the principles and practices of teaching for individuals seeking an alternative resident educator license. The instruction shall cover such topics as student development and learning, pupil assessment procedures, curriculum development, classroom management, and teaching methodology.

(C) The rules adopted under this section shall require applicants for the alternative resident educator license to satisfy the following conditions prior to issuance of the license, but they shall not require applicants to have completed a major or coursework in the subject area for which application is being made:

(1) Hold a minimum of a baccalaureate degree;

(2) Successfully complete the pedagogical training institute described in division (B) of this section or a summer training institute provided to participants of a teacher preparation program that is operated by a nonprofit organization and has been approved by the chancellor. The chancellor shall approve any such program that requires participants to hold a bachelor's degree; have a cumulative undergraduate grade point average of at least 2.5 out of 4.0, or its equivalent; and successfully complete the program's summer training institute.

(3) Pass an examination in the subject area for which application is being made.

(D) An alternative resident educator license shall be valid for four years and shall be renewable for reasons specified by rules adopted by the state board pursuant to division (A) of this section. ~~The state board, on a case-by-case basis, may extend the license's duration as necessary to enable the license holder to complete the Ohio teacher residency program established under section 3319.223 of the Revised Code.~~

(E) The rules shall require the holder of an alternative resident educator

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license, as a condition of continuing to hold the license, to do ~~all~~ both of the following:

(1) ~~Participate in the Ohio teacher residency program;~~

~~(2)~~ Show satisfactory progress in taking and successfully completing one of the following:

(a) At least twelve additional semester hours, or the equivalent, of college coursework in the principles and practices of teaching in such topics as student development and learning, pupil assessment procedures, curriculum development, classroom management, and teaching methodology;

(b) Professional development provided by a teacher preparation program that has been approved by the chancellor under division (C)(2) of this section.

~~(3)~~(2) Take an assessment of professional knowledge in the second year of teaching under the license.

(F) The rules shall provide for the granting of a professional educator license to a holder of an alternative resident educator license upon successfully completing all of the following:

(1) Four years of teaching under the alternative license;

(2) The additional college coursework or professional development described in division (E)~~(2)~~(1) of this section;

(3) The assessment of professional knowledge described in division (E)~~(3)~~(2) of this section. The standards for successfully completing this assessment and the manner of conducting the assessment shall be the same as for any other individual who is required to take the assessment pursuant to rules adopted by the state board under section 3319.22 of the Revised Code.

(4) ~~The Ohio teacher residency program;~~

~~(5)~~ All other requirements for a professional educator license adopted by the state board under section 3319.22 of the Revised Code.

(G) A person who is assigned to teach in this state as a participant in the teach for America program or who has completed two years of teaching in another state as a participant in that program shall be eligible for a license only under section 3319.227 of the Revised Code and shall not be eligible for a license under this section.

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Sec. 3319.271. (A) The superintendent of public instruction shall appoint three incorporators who are knowledgeable about the administration of public schools and about the operation of nonprofit corporations in Ohio.

(B) The incorporators shall do whatever is necessary and proper to set up a nonprofit corporation under Chapter 1702. of the Revised Code. The

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satisfy the requirements for enrollment, including requiring the person to submit, by a date prescribed by the department, one complete set of fingerprints and written permission that authorizes the superintendent of public instruction to forward the fingerprints to the bureau of criminal identification and investigation for the purpose of enrolling the person in the database. If the person fails to comply by the prescribed date, the department shall reject the application or shall take action to inactivate the person's license in accordance with division (E) of this section.

Sec. 3319.36. (A) No treasurer of a board of education or educational service center shall draw a check for the payment of a teacher for services until the teacher files with the treasurer both of the following:

(1) Such reports as are required by the state board of education, the school district board of education, or the superintendent of schools;

(2) Except for a teacher who is engaged pursuant to section 3319.301 of the Revised Code, a written statement from the city, exempted village, or local school district superintendent or the educational service center superintendent that the teacher has filed with the treasurer a legal educator license, or true copy of it, to teach the subjects or grades taught, with the dates of its validity. The state board of education shall prescribe the record and administration for such filing of educator licenses in educational service centers.

(B) Notwithstanding division (A) of this section, the treasurer may pay ~~either~~ any of the following:

(1) Any teacher for services rendered during the first two months of the teacher's initial employment with the school district or educational service center, provided such teacher is the holder of a bachelor's degree or higher and has filed with the state board of education an application for the issuance of an educator license described in division (A)(1) of section 3319.22 of the Revised Code.

(2) Any substitute teacher for services rendered while conditionally employed under section 3319.101 of the Revised Code.

(3) Any employee for services rendered under division (F) of section 3319.088 of the Revised Code.

(C) Upon notice to the treasurer given by the state board of education or any superintendent having jurisdiction that reports required of a teacher have not been made, the treasurer shall withhold the salary of the teacher until the required reports are completed and furnished.

Sec. 3319.61. (A) The educator standards board, in consultation with the chancellor of higher education, shall do all of the following:

(1) Develop state standards for teachers and principals that reflect what

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teachers and principals are expected to know and be able to do at all stages of their careers. These standards shall be aligned with the statewide academic content standards for students adopted pursuant to section 3301.079 of the Revised Code, be primarily based on educator performance instead of years of experience or certain courses completed, and rely on evidence-based factors. These standards shall also be aligned with the operating standards adopted under division (D)(3) of section 3301.07 of the Revised Code.

(a) The standards for teachers shall reflect the following additional criteria:

(i) Alignment with the interstate new teacher assessment and support consortium standards;

(ii) Differentiation among novice, experienced, and advanced teachers;

(iii) Reliance on competencies that can be measured;

(iv) Reliance on content knowledge, teaching skills, discipline-specific teaching methods, and requirements for professional development;

(v) Alignment with a career-long system of professional development and evaluation that ensures teachers receive the support and training needed to achieve the teaching standards as well as reliable feedback about how well they meet the standards;

(vi) The standards under section 3301.079 of the Revised Code, including standards on collaborative learning environments and interdisciplinary, project-based, real-world learning and differentiated instruction;

(vii) The Ohio leadership framework.

(b) The standards for principals shall be aligned with the interstate school leaders licensing consortium standards.

(2) Develop standards for school district superintendents that reflect what superintendents are expected to know and be able to do at all stages of their careers. The standards shall reflect knowledge of systems theory and effective management principles and be aligned with the buckeye association of school administrators standards and the operating standards developed under division (D)(3) of section 3301.07 of the Revised Code.

(3) Develop standards for school district treasurers and business managers that reflect what treasurers and business managers are expected to know and be able to do at all stages of their careers. The standards shall reflect knowledge of systems theory and effective management principles and be aligned with the association of school business officials international standards and the operating standards developed under division (D)(3) of section 3301.07 of the Revised Code.

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(4) Develop standards for the renewal of licenses under sections 3301.074 and 3319.22 of the Revised Code;

(5) Develop standards for educator professional development;

(6) Investigate and make recommendations for the creation, expansion, and implementation of school building and school district leadership academies;

(7) Develop standards for school counselors that reflect what school counselors are expected to know and be able to do at all stages of their careers. The standards shall reflect knowledge of academic, personal, and social counseling for students and effective principles to implement an effective school counseling program. The standards also shall reflect Ohio-specific knowledge of career counseling for students and education options that provide flexibility for earning credit, such as earning units of high school credit using the methods adopted by the state board of education under division (J) of section 3313.603 of the Revised Code and earning college credit through the college credit plus program established under Chapter 3365. of the Revised Code. The standards shall align with the American school counselor association's professional standards and the operating standards developed under division (D)(3) of section 3301.07 of the Revised Code.

The superintendent of public instruction, the chancellor of higher education, or the education standards board itself may request that the educator standards board update, review, or reconsider any standards developed under this section.

(B) The educator standards board shall incorporate indicators of cultural competency into the standards developed under division (A) of this section. For this purpose, the educator standards board shall develop a definition of cultural competency based upon content and experiences that enable educators to know, understand, and appreciate the students, families, and communities that they serve and skills for addressing cultural diversity in ways that respond equitably and appropriately to the cultural needs of individual students.

(C) In developing the standards under division (A) of this section, the educator standards board shall consider the impact of the standards on closing the achievement gap between students of different subgroups.

(D) In developing the standards under division (A) of this section, the educator standards board shall ensure both of the following:

(1) That teachers have sufficient knowledge to provide appropriate instruction for students identified as gifted pursuant to Chapter 3324. of the Revised Code and to assist in the identification of such students, and have

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sufficient knowledge that will enable teachers to provide learning opportunities for all children to succeed;

(2) That principals, superintendents, school treasurers, and school business managers have sufficient knowledge to provide principled, collaborative, foresighted, and data-based leadership that will provide learning opportunities for all children to succeed.

(E) The standards for educator professional development developed under division (A)(5) of this section shall include the following:

(1) Standards for the inclusion of local professional development committees established under section 3319.22 of the Revised Code in the planning and design of professional development;

(2) Standards that address the crucial link between academic achievement and mental health issues.

(F) The educator standards board shall also perform the following functions:

(1) Monitor compliance with the standards developed under division (A) of this section and make recommendations to the state board of education for appropriate corrective action if such standards are not met;

(2) Research, develop, and recommend policies on the professions of teaching and school administration;

(3) Recommend policies to close the achievement gap between students of different subgroups;

(4) Define a "master teacher" in a manner that can be used uniformly by all school districts;

(5) Adopt criteria that a candidate for a lead professional educator license under section 3319.22 of the Revised Code who does not hold a valid certificate issued by the national board for professional teaching standards must meet to be considered a lead teacher for purposes of division (B)(4)(d) of that section. It is the intent of the general assembly that the educator standards board shall adopt multiple, equal-weighted criteria to use in determining whether a person is a lead teacher. The criteria shall be in addition to the other standards and qualifications prescribed in division (B)(4) of section 3319.22 of the Revised Code. The criteria may include, but shall not be limited to, completion of educational levels beyond a master's degree or other professional development courses or demonstration of a leadership role in the teacher's school building or district. The board shall determine the number of criteria that a teacher shall satisfy to be recognized as a lead teacher, which shall not be the total number of criteria adopted by the board.

(6) Develop model teacher and principal evaluation instruments and

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processes. The models shall be based on the standards developed under division (A) of this section.

(7) Develop a method of measuring the academic improvement made by individual students during a one-year period and make recommendations for incorporating the measurement as one of multiple evaluation criteria into ~~each~~ both of the following:

(a) Eligibility for a professional educator license, senior professional educator license, lead professional educator license, or principal license issued under section 3319.22 of the Revised Code;

(b) ~~The Ohio teacher residency program established under section 3319.223 of the Revised Code;~~

~~(c)~~ The model teacher and principal evaluation instruments and processes developed under division (F)(6) of this section.

(G) The educator standards board shall submit recommendations of standards developed under division (A) of this section to the state board of education not later than September 1, 2010. The state board of education shall review those recommendations at the state board's regular meeting that next succeeds the date that the recommendations are submitted to the state board. At that meeting, the state board of education shall vote to either adopt standards based on those recommendations or request that the educator standards board reconsider its recommendations. The state board of education shall articulate reasons for requesting reconsideration of the recommendations but shall not direct the content of the recommendations. The educator standards board shall reconsider its recommendations if the state board of education so requests, may revise the recommendations, and shall resubmit the recommendations, whether revised or not, to the state board not later than two weeks prior to the state board's regular meeting that next succeeds the meeting at which the state board requested reconsideration of the initial recommendations. The state board of education shall review the recommendations as resubmitted by the educator standards board at the state board's regular meeting that next succeeds the meeting at which the state board requested reconsideration of the initial recommendations and may adopt the standards as resubmitted or, if the resubmitted standards have not addressed the state board's concerns, the state board may modify the standards prior to adopting them. The final responsibility to determine whether to adopt standards as described in division (A) of this section and the content of those standards, if adopted, belongs solely to the state board of education.

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Sec. 3323.022. The rules of the state board of education for staffing ratios for programs with preschool children with disabilities shall require the

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reported to the department, in accordance with the guidelines adopted under section 3301.0714 of the Revised Code, for the same school year for which the most recent report card was issued

(2) A third-grade reading bonus calculated according to the following formula:

The school's third-grade reading proficiency percentage X 0.075 X the formula amount X the number of the school's students scoring at a proficient level or higher on the third-grade English language arts assessment prescribed under division (A)(1)(a) of section 3301.0710 of the Revised Code for the immediately preceding school year

Sec. 3327.08. Boards of education of city school districts, local school districts, exempted village school districts, cooperative education school districts, and joint vocational school districts and governing boards of educational service centers may purchase on individual contract school buses and other equipment used in transporting children to and from school and to other functions as authorized by the boards, or the boards, at their discretion, may purchase the buses and equipment through any system of centralized purchasing established by the state department of education for that purpose, provided that state subsidy payments shall be based on the amount of the lowest price available to the boards by either method of purchase. No board shall be deprived of any form of state assistance in the purchase of buses and equipment by reason of purchases of buses and equipment on an individual contract.

The purchase of school buses shall be made only after competitive bidding in accordance with section 3313.46 of the Revised Code. All bids shall state that the buses, prior to delivery, will comply with the safety rules of the department of public safety adopted pursuant to section 4511.76 of the Revised Code and all other pertinent provisions of law.

At no time shall bid bonds be required for the purchase of school buses, unless the district board or educational service center governing board requests that bid bonds be part of the competitive bidding process for a specified purchase.

Sec. 3332.071. A college or school that holds a certificate of registration under this chapter shall pay any fee required by the state board of career colleges and schools for a new student disclosure course fee. No college or school shall charge a student for the fee paid under this section, either directly or through any increase in fees or tuition charged to a student to pay the disclosure course fee.

Sec. 3333.048. (A) Not later than one year after October 16, 2009, the chancellor of higher education and the superintendent of public instruction

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jointly shall do the following:

(1) In accordance with Chapter 119. of the Revised Code, establish metrics and educator preparation programs for the preparation of educators and other school personnel and the institutions of higher education that are engaged in their preparation. The metrics and educator preparation programs shall be aligned with the standards and qualifications for educator licenses adopted by the state board of education under section 3319.22 of the Revised Code ~~and the requirements of the Ohio teacher residency program established under section 3319.223 of the Revised Code~~. The metrics and educator preparation programs also shall ensure that educators and other school personnel are adequately prepared to use the value-added progress dimension prescribed by section 3302.021 of the Revised Code or the alternative student academic progress measure if adopted under division (C)(1)(e) of section 3302.03 of the Revised Code.

(2) Provide for the inspection of institutions of higher education desiring to prepare educators and other school personnel.

(B) Not later than one year after October 16, 2009, the chancellor shall approve institutions of higher education engaged in the preparation of educators and other school personnel that maintain satisfactory training procedures and records of performance, as determined by the chancellor.

(C) If the metrics established under division (A)(1) of this section require an institution of higher education that prepares teachers to satisfy the standards of an independent accreditation organization, the chancellor shall permit each institution to satisfy the standards of any applicable national educator preparation accrediting agency recognized by the United States department of education.

(D) The metrics and educator preparation programs established under division (A)(1) of this section may require an institution of higher education, as a condition of approval by the chancellor, to make changes in the curricula of its preparation programs for educators and other school personnel.

Notwithstanding division (E) of section 119.03 and division (A)(1) of section 119.04 of the Revised Code, any metrics, educator preparation programs, rules, and regulations, or any amendment or rescission of such metrics, educator preparation programs, rules, and regulations, adopted under this section that necessitate institutions offering preparation programs for educators and other school personnel approved by the chancellor to revise the curricula of those programs shall not be effective for at least one year after the first day of January next succeeding the publication of the said change.

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Each institution shall allocate money from its existing revenue sources to pay the cost of making the curricular changes.

(E) The chancellor shall notify the state board of the metrics and educator preparation programs established under division (A)(1) of this section and the institutions of higher education approved under division (B) of this section. The state board shall publish the metrics, educator preparation programs, and approved institutions with the standards and qualifications for each type of educator license.

(F) The graduates of educator preparation programs approved by the chancellor shall be licensed by the state board in accordance with the standards and qualifications adopted under section 3319.22 of the Revised Code.

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Sec. 3333.0414. (A) In accordance with Chapter 119. of the Revised Code, the chancellor of higher education shall adopt rules that require education preparation programs approved under section 3333.048 of the Revised Code to include instruction in opioid and other substance abuse prevention. The instruction shall be for all educator and other school personnel preparation programs for all content areas and grade levels.

(B) Instruction shall include all of the following:

(1) Information on the magnitude of opioid and other substance abuse;

(2) The role educators and other school personnel can play in educating students about the adverse effects of opioid and other substance abuse;

(3) Resources available to teach students about the consequences of opioid and substance abuse;

(4) Resources available to help fight and treat opioid abuse.

Sec. 3333.0415. Beginning in 2018, the chancellor of higher education, in collaboration with the department of education, shall prepare an annual report regarding the progress the state is making in increasing the percentage of adults in the state with a college degree, industry certificate, or other postsecondary credential to sixty-five per cent by the year 2025. The chancellor shall submit an electronic copy of the report to the governor, the president and minority leader of the senate, and speaker and minority leader of the house of representatives.

Sec. 3333.0416. (A) The chancellor of higher education may do both of the following with regard to student fees:

(1) Investigate all fees charged to students by any state institution of higher education, as defined in section 3345.011 of the Revised Code;

(2) Prohibit any state institution from charging a fee that the chancellor determines is not in the best interest of the students.

(B) If the chancellor prohibits a state institution from charging a fee

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shall grant residency status to a person who, while a resident of this state for state subsidy and tuition surcharge purposes, graduated from a high school in this state or completed the final year of instruction at home as authorized under section 3321.04 of the Revised Code, if the person enrolls in an institution of higher education and establishes domicile in this state, regardless of the student's residence prior to that enrollment.

(2) The rules of the chancellor for determining student residency shall not grant residency status to an alien if the alien is not also an immigrant or a nonimmigrant.

(F) As used in this section:

(1) "Dependent," "domicile," "institution of higher education," and "residency officer" have the meanings ascribed in the chancellor's rules adopted under this section.

(2) "Alien" means a person who is not a United States citizen or a United States national.

(3) "Immigrant" means an alien who has been granted the right by the United States bureau of citizenship and immigration services to reside permanently in the United States and to work without restrictions in the United States.

(4) "Nonimmigrant" means an alien who has been granted the right by the United States bureau of citizenship and immigration services to reside temporarily in the United States.

(5) "Veteran" means any person who has completed service in the uniformed services, as defined in section 3511.01 of the Revised Code.

(6) "Service member" has the same meaning as in section 5903.01 of the Revised Code.

Sec. 3333.39. The chancellor of higher education and the superintendent of public instruction shall establish and administer the teach Ohio program to promote and encourage citizens of this state to consider teaching as a profession. The program shall include all of the following:

(A) A statewide program administered by a nonprofit corporation that has been in existence for at least fifteen years with demonstrated results in encouraging high school students from economically disadvantaged groups to enter the teaching profession. The chancellor and superintendent jointly shall select the nonprofit corporation.

(B) The Ohio teaching fellows program established under sections 3333.391 and 3333.392 of the Revised Code;

(C) ~~The Ohio teacher residency program established under section 3319.223 of the Revised Code;~~

~~(D)~~ Alternative licensure procedures established under section 3319.26

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of the Revised Code;

~~(E)~~(D) Any other program as identified by the chancellor and the superintendent.

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Sec. 3333.45. (A) For purposes of this section, "eligible institution of higher education" means any of the following:

(1) A regionally accredited private, nonprofit institution of higher education that is created by the governors of several states. At least one of the governors of these states shall also be a member of the institution's board of trustees.

(2) A state institution of higher education, as that term is defined in section 3345.011 of the Revised Code;

(3) A private, nonprofit institution of higher education that has received a certificate of authorization under Chapter 1713. of the Revised Code.

(B) The chancellor of higher education may recognize or endorse an eligible institution of higher education for the purpose of providing competency-based education programs.

(C) In recognizing or endorsing an eligible institution of higher education described in division (A)(1) of this section, the chancellor may specify all of the following:

(1) The eligibility of students enrolled in the institution for state student financial aid programs;

(2) Any articulation and transfer policies of the chancellor that apply to the institution;

(3) The reporting requirements for the institution.

(D) In recognizing or endorsing any eligible institution of higher education, the chancellor may:

(1) Recognize competency-based education as an important component of this state's higher education system;

(2) Eliminate any unnecessary barriers to the delivery of competency-based education;

(3) Facilitate opportunities to share best practices on the delivery of competency-based education with any eligible institution of higher education;

(4) Establish any other requirements that the chancellor determines are in the best interest of this state.

(E) The chancellor shall not provide any public operating or capital assistance to an eligible institution of higher education described in division (A)(1) of this section for the purpose of providing competency-based education in this state.

Sec. 3333.91. ~~Not later than December 31, 2014, the~~ The governor's

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section 3333.95 of the Revised Code. For the findings required to be submitted by December 31, 2017, a board of trustees may submit the additional information required under this section as amended by this act, as an addendum to the findings the board submitted prior to January 1, 2016, under former law.

Sec. 3345.45. (A) On or before January 1, 1994, the chancellor of higher education jointly with all state universities, as defined in section 3345.011 of the Revised Code, shall develop standards for instructional workloads for full-time and part-time faculty in keeping with the universities' missions and with special emphasis on the undergraduate learning experience. The standards shall contain clear guidelines for institutions to determine a range of acceptable undergraduate teaching by faculty.

(B) On or before June 30, 1994, the board of trustees of each state university shall take formal action to adopt a faculty workload policy consistent with the standards developed under this section. Notwithstanding section 4117.08 of the Revised Code, the policies adopted under this section are not appropriate subjects for collective bargaining. Notwithstanding division (A) of section 4117.10 of the Revised Code, any policy adopted under this section by a board of trustees prevails over any conflicting provisions of any collective bargaining agreement between an employees organization and that board of trustees.

(C)(1) The board of trustees of each state university shall review the university's policy on faculty tenure and update that policy to promote excellence in instruction, research, service, or commercialization, or any combination thereof.

(2) Beginning on July 1, 2018, as a condition for a state university to receive any state funds for research that are allocated to the department of higher education under the appropriation line items referred to as either "research incentive third frontier fund" or "research incentive third frontier-tax," the chancellor shall require the university to include multiple pathways for faculty tenure, one of which may be a commercialization pathway, in its policy.

Sec. 3345.48. (A) As used in this section:

(1) "Cohort" means a group of students who will complete their bachelor's degree requirements and graduate from a state university at the same time. A cohort may include transfer students and other selected undergraduate student academic programs as determined by the board of trustees of a state university.

(2) "Eligible student" means an undergraduate student who:

(a) Is enrolled full-time in a bachelor's degree program at a state

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university;

(b) Is a resident of this state, as defined by the chancellor of higher education under section 3333.31 of the Revised Code.

(3) "State university" has the same meaning as in section 3345.011 of the Revised Code.

(B) The board of trustees of a state university may establish an undergraduate tuition guarantee program that allows eligible students in the same cohort to pay a fixed rate for general and instructional fees for four years. A board of trustees may include room and board and any additional fees in the program.

If the board of trustees chooses to establish such a program, the board shall adopt rules for the program that include, but are not limited to, all of the following:

(1) The number of credit hours required to earn an undergraduate degree in each major;

(2) A guarantee that the general and instructional fees for each student in the cohort shall remain constant for four years so long as the student complies with the requirements of the program, except that, notwithstanding any law to the contrary, the board may increase the guaranteed amount by up to ~~six~~ eight per cent above what has been charged in the previous academic year one time for the first cohort enrolled under the tuition guarantee program. If the board of trustees determines that economic conditions or other circumstances require an increase for the first cohort of above ~~six~~ eight per cent, the board shall submit a request to increase the amount by a specified percentage to the chancellor. The chancellor, based on information the chancellor requires from the board of trustees, shall approve or disapprove such a request. Thereafter, the board of trustees may increase the guaranteed amount by up to the sum of the following above what has been charged in the previous academic year one time per subsequent cohort:

(a) The average rate of inflation, as measured by the consumer price index prepared by the bureau of labor statistics of the United States department of labor (all urban consumers, all items), for the previous sixty-month period; and

(b) The percentage amount the general assembly restrains increases on in-state undergraduate instructional and general fees for the applicable fiscal year. If the general assembly does not enact a limit on the increase of in-state undergraduate instructional and general fees, then no limit shall apply under this division for the cohort that first enrolls in any academic year for which the general assembly does not prescribe a limit.

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If, beginning with the academic year that starts four years after September 29, 2013, the board of trustees determines that the general and instructional fees charged under the tuition guarantee have fallen significantly lower than those of other state universities, the board of trustees may submit a request to increase the amount charged to a cohort by a specified percentage to the chancellor, who shall approve or disapprove such a request.

(3) A benchmark by which the board sets annual increases in general and instructional fees. This benchmark and any subsequent change to the benchmark shall be subject to approval of the chancellor.

(4) Eligibility requirements for students to participate in the program;

(5) Student rights and privileges under the program;

(6) Consequences to the university for students unable to complete a degree program within four years, as follows:

(a) For a student who could not complete the program in four years due to a lack of available classes or space in classes provided by the university, the university shall provide the necessary course or courses for completion to the student free of charge.

(b) For a student who could not complete the program in four years due to military service or other circumstances beyond a student's control, as determined by the board of trustees, the university shall provide the necessary course or courses for completion to the student at the student's initial cohort rate.

(c) For a student who did not complete the program in four years for any other reason, as determined by the board of trustees, the university shall provide the necessary course or courses for completion to the student at a rate determined through a method established by the board under division (B)(7) of this section.

(7) Guidelines for adjusting a student's annual charges if the student, due to circumstances under the student's control, is unable to complete a degree program within four years;

(8) A requirement that the rules adopted under division (B) of this section be published or posted in the university handbook, course catalog, and web site.

(C) If a board of trustees implements a program under this section, the board shall submit the rules adopted under division (B) of this section to the chancellor for approval before beginning implementation of the program.

The chancellor shall not unreasonably withhold approval of a program if the program conforms in principle with the parameters and guidelines of this section.

JRK

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(D) A board of trustees of a state university may establish an undergraduate tuition guarantee program for nonresident students.

(E) Within five years after September 29, 2013, the chancellor shall publish on the chancellor's web site a report that includes all of the following:

(1) The state universities that have adopted an undergraduate tuition guarantee program under this section;

(2) The details of each undergraduate tuition guarantee program established under this section;

(3) Comparative data, including general and instructional fees, room and board, graduation rates, and retention rates, from all state universities.

(F) Except as provided in this section, no other limitation on the increase of in-state undergraduate instructional and general fees shall apply to a state university that has established an undergraduate tuition guarantee program under this section.

JRK

Sec. 3345.57. (A) As used in this section, "state institution of higher education" has the same meaning as in section 3345.011 of the Revised Code.

(B) A state institution of higher education may establish a program under which an employee of the institution may donate that employee's accrued but unused paid leave to another employee of the institution who has no accrued but unused paid leave and who has a critical need for it because of circumstances such as a serious illness or the serious illness of a member of the employee's immediate family. If a state institution of higher education establishes a leave donation program under this section, the institution shall adopt rules in accordance with Chapter 119. of the Revised Code to provide for the administration of the program. These rules shall include, but not be limited to, provisions that identify the circumstances under which leave may be donated and that specify the amount, types, and value of leave that may be donated.

Sec. 3345.58. (A) As used in this section, "state institution of higher education" has the same meaning as in section 3345.011 of the Revised Code.

(B) No state institution of higher education shall refuse to accept college credit earned in this state within the past five years as a substitute for comparable coursework offered at the institution. Additionally, no state institution shall refuse to accept advanced or upper level coursework completed in the past five years in this state as a substitute for comparable core or lower level coursework.

If college credit was earned in this state more than five years ago, the

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(4) Criteria for any transportation aid;

(5) Available support services;

(6) Scheduling;

(7) Communicating the possible consequences and benefits of participation, including all of the following:

(a) The consequences of failing or not completing a course under the program, including the effect on the student's ability to complete the secondary school's graduation requirements;

(b) The effect of the grade attained in a course under the program being included in the student's grade point average, as applicable;

(c) The benefits to the student for successfully completing a course under the program, including the ability to reduce the overall costs of, and the amount of time required for, a college education.

(8) The academic and social responsibilities of students and parents under the program;

(9) Information about and encouragement to use the counseling services of the college in which the student intends to enroll;

(10) The standard packet of information for the program developed by the chancellor of ~~the Ohio board of regents~~ higher education pursuant to section 3365.15 of the Revised Code;

For a participating nonpublic secondary school, counseling information shall also include an explanation that funding may be limited and that not all students who wish to participate may be able to do so.

(C) Promote the program on the school's web site, including the details of the school's current agreements with partnering colleges;

(D) Schedule at least one informational session per school year to allow each partnering college that is located within thirty miles of the school to meet with interested students and parents. The session shall include the benefits and consequences of participation and shall outline any changes or additions to the requirements of the program. If there are no partnering colleges located within thirty miles of the school, the school shall coordinate with the closest partnering college to offer an informational session.

(E) Implement a policy for the awarding of grades and the calculation of class standing for courses taken under division (A)(2) or (B) of section 3365.06 of the Revised Code. The policy adopted under this division shall require a participant to receive a grade of "C" or better in the course in order to receive high school credit for that course. JRK

The policy also shall be equivalent to the school's policy for courses taken under the advanced standing programs described in divisions (A)(2) and (3) of section 3313.6013 of the Revised Code or for other courses

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designated as honors courses by the school. If the policy includes awarding a weighted grade or enhancing a student's class standing for these courses, the policy adopted under this section shall also provide for these procedures to be applied to courses taken under the college credit plus program.

(F) Develop model course pathways, pursuant to section 3365.13 of the Revised Code, and publish the course pathways among the school's official list of course offerings for the program.

(G) Annually collect, report, and track specified data related to the program according to data reporting guidelines adopted by the chancellor and the superintendent of public instruction pursuant to section 3365.15 of the Revised Code.

Sec. 3365.05. Each public and participating private college shall do all of the following with respect to the college credit plus program:

(A) Apply established standards and procedures for admission to the college and for course placement for participants. When determining admission and course placement, the college shall do all of the following:

(1) Consider all available student data that may be an indicator of college readiness, including grade point average and end-of-course examination scores, if applicable;

(2) Give priority to its current students regarding enrollment in courses. However, once a participant has been accepted into a course, the college shall not displace the participant for another student.

(3) Adhere to any capacity limitations that the college has established for specified courses.

(B) Send written notice to ~~a~~ the participant, the participant's parent, and the participant's secondary school, ~~and the superintendent of public instruction,~~ not later than fourteen calendar days prior to the first day of classes for that term, of the participant's admission to the college and to specified courses under the program.

(C) Provide both of the following, not later than twenty-one calendar days after the first day of classes for that term, to each participant~~,~~ and the participant's secondary school~~, and the superintendent of public instruction~~:

(1) The courses and hours of enrollment of the participant;

(2) The option elected by the participant under division (A) or (B) of section 3365.06 of the Revised Code for each course.

The college shall also provide to each partnering school a roster of participants from that school that are enrolled in the college and a list of course assignments for each participant.

(D) Promote the program on the college's web site, including the details of the college's current agreements with partnering secondary schools.

(E) Coordinate with each partnering secondary school that is located within thirty miles of the college to present at least one informational session per school year for interested students and parents. The session shall include the benefits and consequences of participation and shall outline any changes or additions to the requirements of the program. If there are no partnering schools located within thirty miles of the college, the college shall coordinate with the closest partnering school to offer an informational session.

(F) Assign an academic advisor that is employed by the college to each participant enrolled in that college. Prior to the date on which a withdrawal from a course would negatively affect a participant's transcripted grade, as prescribed by the college's established withdrawal policy, the college shall ensure that the academic advisor and the participant meet at least once to discuss the program and the courses in which the participant is enrolled.

(G) Implement a policy for the awarding of grades for courses taken under the program. The policy adopted under this division shall require a participant to receive a grade of "C" or better in the course in order to receive college credit for that course. JRI

(H) Do both of the following with regard to high school teachers that are teaching courses for the college at a secondary school under the program:

(1) Provide at least one professional development session per school year;

(2) Conduct at least one classroom observation per school year for each course that is authorized by the college and taught by a high school teacher to ensure that the course meets the quality of a college-level course.

~~(H)~~(I) Annually collect, report, and track specified data related to the program according to data reporting guidelines adopted by the chancellor and the superintendent of public instruction pursuant to section 3365.15 of the Revised Code. JRC

~~(I)~~(J) With the exception of divisions (D) and (E) of this section, any eligible out-of-state college participating in the college credit plus program shall be subject to the same requirements as a participating private college under this section. JRC

Sec. 3365.06. The rules adopted under section 3365.02 of the Revised Code shall provide for participants to enroll in courses under either of the ~~following~~ options: prescribed by division (A) or (B) of this section.

(A) The participant may elect at the time of enrollment to be responsible for payment of all tuition and the cost of all textbooks, materials, and fees associated with the course. The college shall notify the participant about payment of tuition and fees in the customary manner followed by the

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Sec. 3365.10. (A) Any public or participating nonpublic secondary school or any public or participating private college~~, including a secondary school and an associated college operating an early college high school program,~~ may apply to the chancellor of ~~the Ohio board of regents~~ higher education and the superintendent of public instruction for a waiver from the requirements of the college credit plus program. The chancellor and the superintendent may grant a waiver under this section for an agreement ~~governing an early college high school program~~ or for a proposed agreement between a public or participating nonpublic secondary school and a public or participating private or out-of-state college, only if the agreement does both of the following:

(1) Includes innovative programming proposed to exclusively address the needs of underrepresented student subgroups;

(2) Meets all criteria set forth in rules adopted by the chancellor and the superintendent pursuant to division (C) of this section.

(B) Any waiver granted under this section shall apply only to the agreement for which the waiver is granted and shall not apply to any other agreement that the school or college enters into under this chapter.

(C) The chancellor and the superintendent of public instruction shall jointly adopt rules, in accordance with Chapter 119. of the Revised Code, regarding the granting of waivers under this section.

~~(D) As used in this section, "associated college" and "early college high school program" have the same meanings as in section 3313.6013 of the Revised Code.~~

Sec. 3365.12. (A) All courses offered under the college credit plus program shall be the same courses that are included in the partnering college's course catalogue for college-level, nonremedial courses and shall apply to at least one degree or professional certification at the partnering college.

(B)(1) ~~High~~ In accordance with division (E) of section 3365.04 of the Revised Code, high school credit awarded for courses successfully completed under this chapter shall count toward the graduation requirements and subject area requirements of the public secondary school or participating nonpublic secondary school. If a course comparable to one a participant completed at a college is offered by the school, the governing entity or governing body shall award comparable credit for the course completed at the college. If no comparable course is offered by the school, the governing entity or governing body shall grant an appropriate number of elective credits to the participant.

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(2) If there is a dispute between a participant's school and a participant

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regarding high school credits granted for a course, the participant may appeal the decision to the ~~state board~~ department of education. The ~~state board's~~ department's decision regarding any high school credits granted under this section is final.

(C) Evidence of successful completion of each course and the high school credits awarded by the school shall be included in the student's record. The record shall indicate that the credits were earned as a participant under this chapter and shall include the name of the college at which the credits were earned.

Sec. 3365.15. The chancellor of higher education and the superintendent of public instruction jointly shall do all of the following:

(A) Adopt data reporting guidelines specifying the types of data that public and participating nonpublic secondary schools and public and participating private colleges, including eligible out-of-state colleges participating in the program, must annually collect, report, and track under division (G) of section 3365.04 and division ~~(H)~~(I) of section 3365.05 of the Revised Code. The types of data shall include all of the following: JRK

(1) For each secondary school and college:

(a) The number of participants disaggregated by grade level, socioeconomic status, race, gender, and disability;

(b) The number of completed courses and credit hours, disaggregated by the college in which participants were enrolled;

(c) The number of courses in which participants enrolled, disaggregated by subject area and level of difficulty.

(2) For each secondary school, the number of students who were denied participation in the program under division (A)(1)(a) or (C) of section 3365.03 or section 3365.031 or 3365.032 of the Revised Code. Each participating nonpublic secondary school shall also include the number of students who were denied participation due to the student not being awarded funding by the department of education pursuant to section 3365.071 of the Revised Code.

(3) For each college:

(a) The number of students who applied to enroll in the college under the program but were not granted admission;

(b) The average number of completed courses per participant;

(c) The average grade point average for participants in college courses under the program.

The guidelines adopted under this division shall also include policies and procedures for the collection, reporting, and tracking of such data.

(B) Annually compile the data required under division (A) of this

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high temperatures in an enclosed device.

(j) "Incineration facility" includes all incinerators owned or operated by the same entity and located on a contiguous tract of land. Areas of land are considered to be contiguous even if they are separated by a public road or highway.

(k) "Annual sludge fee" means the fee assessed under division (Y)(1) of this section.

(l) "Landfill" means a sanitary landfill facility, as defined in rules adopted under section 3734.02 of the Revised Code, that is licensed under section 3734.05 of the Revised Code.

(m) "Preexisting land reclamation project" means a property-specific land reclamation project that has been in continuous operation for not less than five years pursuant to approval of the activity by the director and includes the implementation of a community outreach program concerning the activity.

Sec. 3745.45. There is hereby created in the state treasury the Volkswagen clean air act settlement fund consisting of money received by the state from the Volkswagen clean air act settlement. It is the intent of the general assembly to appropriate into the fund the money received by the state from that settlement.

Sec. 3749.01. As used in sections 3749.01 to 3749.10 of the Revised Code:

(A) "Board of health" means a city board of health or a general health district, or an authority having the duties of a city board of health as authorized by section 3709.05 of the Revised Code.

(B) "Health district" means any city or general health district created pursuant to section 3709.01 of the Revised Code.

(C) "Person" means the state, any political subdivision, special district, public or private corporation, individual, firm, partnership, association, or any other entity.

(D) "Licensor" means a city board of health or a general health district, an authority having the duties of a city board of health as authorized pursuant to section 3709.05 of the Revised Code, or the director of ~~the department of~~ health when acting under section 3749.07 of the Revised Code.

(E) "Director" means the director of ~~the department of~~ health or ~~his~~ an authorized representative of the director of health.

(F) "Private residential swimming pool" means any indoor or outdoor structure, chamber, or tank containing a body of water for swimming, diving, or bathing located at a dwelling housing no more than three families

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and used exclusively by the residents and their nonpaying guests.

(G) "Public swimming pool" means any indoor or outdoor structure, chamber, or tank containing a body of water for swimming, diving, or bathing that is intended to be used collectively for swimming, diving, or bathing and is operated by any person whether as the owner, lessee, operator, licensee, or concessionaire, regardless of whether or not a fee is charged for use, but does not mean any public bathing area or private residential swimming pool.

(H) "Public spa" means any public swimming pool that is typically operated as a smaller, higher temperature pool for recreational or nonmedical uses.

(I) "Special use pool" means a public swimming pool containing flume slides, wave generating equipment, or other special features that necessitate different design and safety requirements. ~~Special use pool does not include any water slide or wave generating pool at a public amusement area which is licensed and inspected by the department of agriculture pursuant to sections 1711.50 to 1711.57 of the Revised Code.~~

(J) "Public bathing area" means an impounding reservoir, basin, lake, pond, creek, river, or other similar natural body of water.

(K) "Aquatic amusement ride" means an amusement ride, as defined in section 1711.50 of the Revised Code, that contains a water slide, catch pool, wave generating equipment, or a body of water that is used for bathing, swimming, or other purposes related to those activities.

Sec. 3749.02. The director of health shall, subject to Chapter 119. of the Revised Code, adopt rules of general application throughout the state governing the issuance of licenses, approval of plans, layout, construction, sanitation, safety, and operation of public swimming pools, public spas, and special use pools. Such rules shall not be applied to the construction, erection, or manufacture of any building to which section 3781.06 of the Revised Code is applicable when the building or structure is either integral to or appurtenant to a public swimming pool, a public spa, or a special use pool.

The director of health shall, subject to Chapter 119. of the Revised Code, adopt rules for general application throughout the state governing the operation, components, appurtenant facilities, surrounding areas, water quality, disinfection, and health of aquatic amusement rides. The structural integrity and physical safety of an aquatic amusement ride shall be the responsibility of the department of agriculture in accordance with sections 1711.50 to 1711.57 of the Revised Code.

Sec. 3749.03. (A) No person shall construct or install, or renovate or

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otherwise substantially alter, a public swimming pool, public spa, or special use pool after September 10, 1987, or an aquatic amusement ride after the effective date of this amendment, until the plans for the pool ~~or~~, spa, or ride have been submitted to and approved by the director of health. Within thirty days of receipt of the plans, the director shall approve or disapprove them. The plans and approval required under this division do not apply to repairs or ordinary maintenance that does not substantially affect the manner of water recirculation or basic design of the public swimming pool, public spa, ~~or~~ special use pool, or aquatic amusement ride.

Any person aggrieved by the director's disapproval of plans under this division may, within thirty days following receipt of the director's notice of disapproval, request a hearing on the matter. The hearing shall be held in accordance with Chapter 119. of the Revised Code and may be appealed in the manner provided in that chapter.

(B) Prior to the issuance of a license to operate a newly constructed or altered public swimming pool, public spa, ~~or~~ special use pool, or aquatic amusement ride, the director or a licensor authorized by the director shall verify that the construction or alterations are consistent with the plans submitted and approved under division (A) of this section. The director or licensor authorized by the director shall have two working days from the time notification is received that a public swimming pool, public spa, ~~or~~ special use pool, or aquatic amusement ride is ready for an inspection to verify the construction or alterations.

(C)(1) Except as provided in division (C)(2) of this section, the fees for the approval of plans are as follows:

(a) Five per cent of the total cost of the equipment and installation not to exceed two hundred seventy-five dollars for a public swimming pool, public spa, ~~or~~ special use pool, aquatic amusement ride, or a combination thereof, that has less than two thousand square feet of surface area;

(b) Five per cent of the total cost of the equipment and installation not to exceed five hundred fifty dollars for a public swimming pool, public spa, special use pool, aquatic amusement ride, or a combination thereof, that has two thousand or more square feet of surface area.

(2) The director may, by rule adopted in accordance with Chapter 119. of the Revised Code, increase the fees established by this section.

(D) All plan approval fees shall be paid into the state treasury to the credit of the general operations fund created by section 3701.83 of the Revised Code. The fees shall be administered by the director and shall be used solely for the administration and enforcement of this chapter and the rules adopted thereunder.

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(E) Plan approvals issued under this section shall not constitute an exemption from the land use and building requirements of the political subdivision in which the public swimming pool, public spa, ~~or~~ special use pool, or aquatic amusement ride is or is to be located.

Sec. 3749.04. (A) No person shall operate or maintain a public swimming pool, public spa, ~~or~~ special use pool, or aquatic amusement ride without a license issued by the licensor having jurisdiction.

(B) Every person who intends to operate or maintain an existing public swimming pool, public spa, ~~or~~ special use pool, or aquatic amusement ride shall, during the month of April of each year, apply to the licensor having jurisdiction for a license to operate the pool ~~or~~, spa, or ride. Any person proposing to operate or maintain a new or otherwise unlicensed public swimming pool, public spa, ~~or~~ special use pool, or aquatic amusement ride shall apply to the licensor having jurisdiction at least thirty days prior to the intended start of operation of the pool ~~or~~, spa, or ride. Within thirty days of receipt of an application for licensure of a public swimming pool, public spa, ~~or~~ special use pool, or aquatic amusement ride, the licensor shall process the application and either issue a license or otherwise respond to the applicant regarding the application.

(C) Each license issued shall be effective from the date of issuance until the last day of May of the following year.

(D) Each licensor administering and enforcing sections 3749.01 to 3749.09 of the Revised Code and the rules adopted thereunder may establish licensing and inspection fees in accordance with section 3709.09 of the Revised Code, which shall not exceed the cost of licensing and inspecting public swimming pools, public spas, ~~and~~ special use pools, and aquatic amusement rides.

JRK

(E) Except as provided in division (F) of this section and in division (B) of section 3749.07 of the Revised Code, all license fees collected by a licensor shall be deposited into a swimming pool fund, which is hereby created in each health district. The fees shall be used by the licensor solely for the purpose of administering and enforcing this chapter and the rules adopted under this chapter.

(F) An annual license fee established under division (D) of this section shall include any additional amount determined by rule of the director of health, which the board of health shall collect and transmit to the director pursuant to section 3709.092 of the Revised Code. The amounts collected under this division shall be administered by the director of health and shall be used solely for the administration and enforcement of this chapter and the rules adopted under this chapter.

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Sec. 3749.05. The licensor of the district in which a public swimming pool, public spa, ~~or~~ special use pool, or aquatic amusement ride is located may, in accordance with Chapter 119. of the Revised Code, refuse to grant a license or suspend or revoke any license issued to any person for failure to comply with the requirements of Chapter 3749. of the Revised Code and the rules adopted thereunder.

Sec. 3749.06. Prior to the issuance of an initial license and annually thereafter, the licensor shall inspect each public swimming pool, public spa, ~~or~~ special use pool, or aquatic amusement ride in ~~his~~ the licensor's jurisdiction to determine whether or not the pool ~~or~~, spa, or ride is in compliance with Chapter 3749. of the Revised Code and the rules adopted thereunder. A licensor may, as ~~he~~ the licensor determines appropriate, inspect a public swimming pool, public spa, ~~or~~ special use pool, or aquatic amusement ride at any other time. The licensor shall make the initial inspection within five days from the date of receipt of notification that the pool ~~or~~, spa, or ride is ready for operation and shall maintain a record of each inspection that ~~he~~ the licensor conducts for a period of at least five years on forms prescribed by the director of health.

Sec. 3749.07. (A) The director of health shall annually survey each health district that licenses public swimming pools, public spas, ~~and special use~~ special use pools, and aquatic amusement rides to determine whether or not the health district is in substantial compliance with this chapter and the rules adopted thereunder. If the director determines that a health district is in substantial compliance, ~~he~~ the director shall place the district on an approved health district licensing list. The director shall, as ~~he~~ the director determines necessary, make additional surveys of health districts and shall remove from the approved health district licensing list any health district ~~he~~ the director determines not to be in substantial compliance with this chapter and the rules adopted thereunder.

JRK

(B) If the director determines that a health district is not eligible to be placed on the approved health district licensing list, ~~he~~ the director shall certify the same to the board of health of the health district and shall perform the duties of a health district in that area until the health district is eligible for placement on the approved list. All fees payable to the health district during the time that the director performs the duties of the health district and all other such fees that have not been expended or otherwise encumbered shall be deposited by the director in the state treasury to the credit of the general operations fund created by section 3701.83 of the Revised Code, to be used by the director in ~~his~~ the director's capacity as a licensor. The director shall keep a record of the fees so deposited and, when

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the health district is placed on the approved list, shall transfer any remaining balance of the fees to the health district swimming pool fund created under division (E) of section 3749.04 of the Revised Code. JRK

Sec. 3751.01. As used in this chapter:

(A) "Confidential business information" means the types or categories of information identified in rules adopted by the administrator of the United States environmental protection agency under ~~division (A)(1)(g) of section 3751.02 of the Revised Code~~ EPCRA.

(B) "EPCRA" means the "Emergency Planning and Community Right-To-Know Act of 1986," 100 Stat. 1728, 42 U.S.C. 11001, et seq.

(C) "Facility" means all buildings, equipment, structures, and other stationary items that are located on a single site or on contiguous or adjacent sites and that are owned or operated by the same person or by any person who controls, is controlled by, or is under common control with such person.

~~(C)~~(D) "Manufacture" means the production, preparation, importation, or compounding of a toxic chemical. The term also applies to a toxic chemical produced coincidentally during the manufacture, processing, use, or disposal of another substance or mixture including, without limitation, byproducts and coproducts that are separated from the other substance or mixture and impurities that remain in that substance or mixture.

~~(D)~~(E) "Person" includes the state, any political subdivision or other state or local body, the United States and any agency or instrumentality thereof, and any entity defined as a person under section 1.59 of the Revised Code.

~~(E)~~(F) "Process" means the preparation of a toxic chemical after its manufacture for distribution in commerce:

(1) In the same form or physical state as, or in a different form or physical state from, that in which it was received by the person so preparing such chemical;

(2) As part of an article containing the toxic chemical.

~~(F)~~(G) "Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or discharging into the environment of any toxic chemical including, without limitation, the abandonment or discarding of barrels, containers, and other closed receptacles that contained a toxic chemical.

~~(G)~~(H) "Toxic chemical" means a chemical listed in rules adopted by the administrator of the United States environmental protection agency under ~~division (A)(1)(a) of section 3751.02 of the Revised Code~~ EPCRA.

Sec. 3751.02. ~~(A)~~ The director of environmental protection ~~shall~~ may do

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(3) The number, nature, and value of prize awards, the manner and frequency of prize drawings, and the manner in which prizes shall be awarded to holders of winning tickets.

(B) The commission shall promulgate rules, in addition to those described in division (A) of this section, pursuant to Chapter 119. of the Revised Code under which a statewide lottery and statewide joint lottery games may be conducted. Subjects covered in these rules shall include, but not be limited to, the following:

(1) The locations at which lottery tickets may be sold and the manner in which they are to be sold. These rules may authorize the sale of lottery tickets by commission personnel or other licensed individuals from traveling show wagons at the state fair, and at any other expositions the director of the commission considers acceptable. These rules shall prohibit commission personnel or other licensed individuals from soliciting from an exposition the right to sell lottery tickets at that exposition, but shall allow commission personnel or other licensed individuals to sell lottery tickets at an exposition if the exposition requests commission personnel or licensed individuals to do so. These rules may also address the accessibility of sales agent locations to commission products in accordance with the "Americans with Disabilities Act of 1990," 104 Stat. 327, 42 U.S.C.A. 12101 et seq. These rules may not permit a lottery sales agent to accept a credit card for the purchase of a lottery ticket, except for a video lottery terminal as provided in rule 3770:2-7-01 of the Administrative Code. JRK

(2) The manner in which lottery sales revenues are to be collected, including authorization for the director to impose penalties for failure by lottery sales agents to transfer revenues to the commission in a timely manner;

(3) The amount of compensation to be paid to licensed lottery sales agents;

(4) The substantive criteria for the licensing of lottery sales agents consistent with section 3770.05 of the Revised Code, and procedures for revoking or suspending their licenses consistent with Chapter 119. of the Revised Code. If circumstances, such as the nonpayment of funds owed by a lottery sales agent, or other circumstances related to the public safety, convenience, or trust, require immediate action, the director may suspend a license without affording an opportunity for a prior hearing under section 119.07 of the Revised Code.

(5) Special game rules to implement any agreements signed by the governor that the director enters into with other lottery jurisdictions under division (J) of section 3770.02 of the Revised Code to conduct statewide

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bureau for the additional services required in issuing company logo license plates, in the public safety - highway purposes fund created in section 4501.06 of the Revised Code.

Sec. 4504.201. No commercial car that is taxed under division (A) of section 4503.65 of the Revised Code, and no commercial bus that is taxed under division (B) of section 4503.65 of the Revised Code, is subject to a tax established under section 4504.02, 4504.06, 4504.15, 4504.16, 4504.17, 4504.171, 4504.172, 4504.18, or 4504.24 of the Revised Code.

Sec. 4505.06. (A)(1) Application for a certificate of title shall be made in a form prescribed by the registrar of motor vehicles and shall be sworn to before a notary public or other officer empowered to administer oaths. The application shall be filed with the clerk of any court of common pleas. An application for a certificate of title may be filed electronically by any electronic means approved by the registrar in any county with the clerk of the court of common pleas of that county. Any payments required by this chapter shall be considered as accompanying any electronically transmitted application when payment actually is received by the clerk. Payment of any fee or taxes may be made by electronic transfer of funds.

(2) The application for a certificate of title shall be accompanied by the fee prescribed in section 4505.09 of the Revised Code. The fee shall be retained by the clerk who issues the certificate of title and shall be distributed in accordance with that section. If a clerk of a court of common pleas, other than the clerk of the court of common pleas of an applicant's county of residence, issues a certificate of title to the applicant, the clerk shall transmit data related to the transaction to the automated title processing system.

(3) If a certificate of title previously has been issued for a motor vehicle in this state, the application for a certificate of title also shall be accompanied by that certificate of title duly assigned, unless otherwise provided in this chapter. If a certificate of title previously has not been issued for the motor vehicle in this state, the application, unless otherwise provided in this chapter, shall be accompanied by a manufacturer's or importer's certificate or by a certificate of title of another state from which the motor vehicle was brought into this state. If the application refers to a motor vehicle last previously registered in another state, the application also shall be accompanied by the physical inspection certificate required by section 4505.061 of the Revised Code. If the application is made by two persons regarding a motor vehicle in which they wish to establish joint ownership with right of survivorship, they may do so as provided in section 2131.12 of the Revised Code. If the applicant requests a designation of the

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motor vehicle in beneficiary form so that upon the death of the owner of the motor vehicle, ownership of the motor vehicle will pass to a designated transfer-on-death beneficiary or beneficiaries, the applicant may do so as provided in section 2131.13 of the Revised Code. A person who establishes ownership of a motor vehicle that is transferable on death in accordance with section 2131.13 of the Revised Code may terminate that type of ownership or change the designation of the transfer-on-death beneficiary or beneficiaries by applying for a certificate of title pursuant to this section. The clerk shall retain the evidence of title presented by the applicant and on which the certificate of title is issued, except that, if an application for a certificate of title is filed electronically by an electronic motor vehicle dealer on behalf of the purchaser of a motor vehicle, the clerk shall retain the completed electronic record to which the dealer converted the certificate of title application and other required documents. The registrar, after consultation with the attorney general, shall adopt rules that govern the location at which, and the manner in which, are stored the actual application and all other documents relating to the sale of a motor vehicle when an electronic motor vehicle dealer files the application for a certificate of title electronically on behalf of the purchaser. Not later than December 31, 2017, the registrar shall arrange for a service that enables all electronic motor vehicle dealers to file applications for certificates of title on behalf of purchasers of motor vehicles electronically by transferring the applications directly from the computer systems of the dealers to the clerk.

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The clerk shall use reasonable diligence in ascertaining whether or not the facts in the application for a certificate of title are true by checking the application and documents accompanying it or the electronic record to which a dealer converted the application and accompanying documents with the records of motor vehicles in the clerk's office. If the clerk is satisfied that the applicant is the owner of the motor vehicle and that the application is in the proper form, the clerk, within five business days after the application is filed and except as provided in section 4505.021 of the Revised Code, shall issue a physical certificate of title over the clerk's signature and sealed with the clerk's seal, unless the applicant specifically requests the clerk not to issue a physical certificate of title and instead to issue an electronic certificate of title. For purposes of the transfer of a certificate of title, if the clerk is satisfied that the secured party has duly discharged a lien notation but has not canceled the lien notation with a clerk, the clerk may cancel the lien notation on the automated title processing system and notify the clerk of the county of origin.

(4) In the case of the sale of a motor vehicle to a general buyer or user

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by a dealer, by a motor vehicle leasing dealer selling the motor vehicle to the lessee or, in a case in which the leasing dealer subleased the motor vehicle, the sublessee, at the end of the lease agreement or sublease agreement, or by a manufactured housing broker, the certificate of title shall be obtained in the name of the buyer by the dealer, leasing dealer, or manufactured housing broker, as the case may be, upon application signed by the buyer. The certificate of title shall be issued, or the process of entering the certificate of title application information into the automated title processing system if a physical certificate of title is not to be issued shall be completed, within five business days after the application for title is filed with the clerk. If the buyer of the motor vehicle previously leased the motor vehicle and is buying the motor vehicle at the end of the lease pursuant to that lease, the certificate of title shall be obtained in the name of the buyer by the motor vehicle leasing dealer who previously leased the motor vehicle to the buyer or by the motor vehicle leasing dealer who subleased the motor vehicle to the buyer under a sublease agreement.

In all other cases, except as provided in section 4505.032 and division (D)(2) of section 4505.11 of the Revised Code, such certificates shall be obtained by the buyer.

(5)(a)(i) If the certificate of title is being obtained in the name of the buyer by a motor vehicle dealer or motor vehicle leasing dealer and there is a security interest to be noted on the certificate of title, the dealer or leasing dealer shall submit the application for the certificate of title and, if required by division (B)(5) of this section, payment of the applicable tax to a clerk within seven business days after the later of the delivery of the motor vehicle to the buyer or the date the dealer or leasing dealer obtains the manufacturer's or importer's certificate, or certificate of title issued in the name of the dealer or leasing dealer, for the motor vehicle. Submission of the application for the certificate of title and payment, if required, of the applicable tax within the required seven business days may be indicated by postmark or receipt by a clerk within that period.

(ii) Upon receipt of the certificate of title with the security interest noted on its face, the dealer or leasing dealer shall forward the certificate of title to the secured party at the location noted in the financing documents or otherwise specified by the secured party.

(iii) A motor vehicle dealer or motor vehicle leasing dealer is liable to a secured party for a late fee of ten dollars per day for each certificate of title application and, if required by division (B)(5) of this section, payment of the applicable tax ~~that is,~~ submitted to a clerk more than seven business days but less than twenty-one days after the later of the delivery of the motor vehicle

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to the buyer or the date the dealer or leasing dealer obtains the manufacturer's or importer's certificate, or certificate of title issued in the name of the dealer or leasing dealer, for the motor vehicle and, from then on, twenty-five dollars per day until the application and applicable tax are submitted to a clerk.

(b) In all cases of transfer of a motor vehicle except the transfer of a manufactured home or mobile home, the application for certificate of title shall be filed within thirty days after the assignment or delivery of the motor vehicle.

(c) An application for a certificate of title for a new manufactured home shall be filed within thirty days after the delivery of the new manufactured home to the purchaser. The date of the delivery shall be the date on which an occupancy permit for the manufactured home is delivered to the purchaser of the home by the appropriate legal authority.

(d) An application for a certificate of title for a used manufactured home or a used mobile home shall be filed as follows:

(i) If a certificate of title for the used manufactured home or used mobile home was issued to the motor vehicle dealer prior to the sale of the manufactured or mobile home to the purchaser, the application for certificate of title shall be filed within thirty days after the date on which an occupancy permit for the manufactured or mobile home is delivered to the purchaser by the appropriate legal authority.

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(ii) If the motor vehicle dealer has been designated by a secured party to display the manufactured or mobile home for sale, or to sell the manufactured or mobile home under section 4505.20 of the Revised Code, but the certificate of title has not been transferred by the secured party to the motor vehicle dealer, and the dealer has complied with the requirements of division (A) of section 4505.181 of the Revised Code, the application for certificate of title shall be filed within thirty days after the date on which the motor vehicle dealer obtains the certificate of title for the home from the secured party or the date on which an occupancy permit for the manufactured or mobile home is delivered to the purchaser by the appropriate legal authority, whichever occurs later.

(6) If an application for a certificate of title is not filed within the period specified in division (A)(5)(b), (c), or (d) of this section, the clerk shall collect a fee of five dollars for the issuance of the certificate, except that no such fee shall be required from a motor vehicle salvage dealer, as defined in division (A) of section 4738.01 of the Revised Code, who immediately surrenders the certificate of title for cancellation. The fee shall be in addition to all other fees established by this chapter, and shall be retained by the

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clerk. The registrar shall provide, on the certificate of title form prescribed by section 4505.07 of the Revised Code, language necessary to give evidence of the date on which the assignment or delivery of the motor vehicle was made.

(7) As used in division (A) of this section, "lease agreement," "lessee," and "sublease agreement" have the same meanings as in section 4505.04 of the Revised Code and "new manufactured home," "used manufactured home," and "used mobile home" have the same meanings as in section 5739.0210 of the Revised Code.

(B)(1) The clerk, except as otherwise provided in this section, shall refuse to accept for filing any application for a certificate of title and shall refuse to issue a certificate of title unless the dealer or the applicant, in cases in which the certificate shall be obtained by the buyer, submits with the application payment of the tax levied by or pursuant to Chapters 5739. and 5741. of the Revised Code based on the purchaser's county of residence. Upon payment of the tax in accordance with division (E) of this section, the clerk shall issue a receipt prescribed by the registrar and agreed upon by the tax commissioner showing payment of the tax or a receipt issued by the commissioner showing the payment of the tax. When submitting payment of the tax to the clerk, a dealer shall retain any discount to which the dealer is entitled under section 5739.12 of the Revised Code.

(2) For receiving and disbursing such taxes paid to the clerk by a resident of the clerk's county, the clerk may retain a poundage fee of one and one-hundredth per cent, and the clerk shall pay the poundage fee into the certificate of title administration fund created by section 325.33 of the Revised Code. The clerk shall not retain a poundage fee from payments of taxes by persons who do not reside in the clerk's county.

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A clerk, however, may retain from the taxes paid to the clerk an amount equal to the poundage fees associated with certificates of title issued by other clerks of courts of common pleas to applicants who reside in the first clerk's county. The registrar, in consultation with the tax commissioner and the clerks of the courts of common pleas, shall develop a report from the automated title processing system that informs each clerk of the amount of the poundage fees that the clerk is permitted to retain from those taxes because of certificates of title issued by the clerks of other counties to applicants who reside in the first clerk's county.

(3) In the case of casual sales of motor vehicles, as defined in section 4517.01 of the Revised Code, the price for the purpose of determining the tax shall be the purchase price on the assigned certificate of title executed by the seller and filed with the clerk by the buyer on a form to be prescribed by

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the registrar, which shall be prima-facie evidence of the amount for the determination of the tax.

(4) Each county clerk shall forward to the treasurer of state all sales and use tax collections resulting from sales of motor vehicles, off-highway motorcycles, and all-purpose vehicles during a calendar week on or before the Friday following the close of that week. If, on any Friday, the offices of the clerk of courts or the state are not open for business, the tax shall be forwarded to the treasurer of state on or before the next day on which the offices are open. Every remittance of tax under division (B)(4) of this section shall be accompanied by a remittance report in such form as the tax commissioner prescribes. Upon receipt of a tax remittance and remittance report, the treasurer of state shall date stamp the report and forward it to the tax commissioner. If the tax due for any week is not remitted by a clerk of courts as required under division (B)(4) of this section, the commissioner may require the clerk to forfeit the poundage fees for the sales made during that week. The treasurer of state may require the clerks of courts to transmit tax collections and remittance reports electronically.

(5)(a) A new or used motor vehicle dealer licensed in this state with more than twenty million dollars in motor vehicle sales in the preceding calendar year per vendor's license held by the dealer, in lieu of remitting the tax levied by or pursuant to Chapters 5739. and 5741. of the Revised Code to the clerk under this section, may make an election to report and remit the tax due directly to the commissioner as required by section 5739.12 or 5741.12 of the Revised Code. A motor vehicle dealer that does not make an election under division (B)(5) of this section or whose election has not been approved or has been terminated or revoked shall pay the tax to the clerk of courts as provided in division (A)(5)(a) of this section. Division (B)(5) of this section applies only to sales of motor vehicles occurring on or after July 1, 2018.

(b) To make an election under division (B)(5) of this section, a dealer shall notify the commissioner on or before the first day of May on a form prescribed by the commissioner for that purpose. If a dealer's election is approved by the commissioner, it shall be effective on the first day of the ensuing July and, unless it is revoked under division (B)(5)(e) of this section, it shall be valid for a period of one year. The commissioner shall not approve a dealer's election if the commissioner has knowledge that the dealer failed to file a return or failed to submit any information required by the commissioner or that the dealer failed to remit a required payment for any tax, fee, or charge administered by the commissioner. Once an election is approved by the commissioner, it shall be renewed for each subsequent

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one-year period unless the dealer terminates the election under division (B)(5)(d) of this section or the commissioner revokes the election under division (B)(5)(e) of this section. No action shall be required on the part of the dealer or the commissioner to effectuate such renewal.

(c) A dealer that makes an election under division (B)(5) of this section agrees to all of the following terms:

(i) The dealer shall notify the clerk of courts of each sale of a motor vehicle, state the purchaser's county of residence, and pledge that the dealer will report and remit the tax due directly to the commissioner as required by section 5739.12 or 5741.12 of the Revised Code.

(ii) The dealer shall timely submit the information required by division (C)(3) of section 5739.12 of the Revised Code.

(iii) The dealer is and shall remain current on all taxes, fees, and charges administered by the commissioner.

(iv) The dealer shall timely submit any information requested by the commissioner.

(d) A dealer may terminate an election under division (B)(5) of this section by submitting a notification of termination to the commissioner on a form prescribed by the commissioner for that purpose. The notice of termination shall be submitted on or before the first day of May. Such termination shall be effective on the first day of the ensuing July.

(e) The commissioner may immediately revoke a dealer's election under division (B)(5) of this section if the dealer fails to comply with any of the terms prescribed by division (B)(5)(c) of this section. If the dealer's motor vehicle sales in any calendar year are less than twenty million dollars per vendor's license held by the dealer, the commissioner may revoke that dealer's election, effective on the first day of the ensuing July.

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(f) The commissioner is not required to approve subsequent elections under division (B)(5) of this section of a motor vehicle dealer whose election has, at any time, been terminated under division (B)(5)(d) of this section or revoked under division (B)(5)(e) of this section.

(g) On or before the thirtieth day of June of each year, the commissioner shall notify the registrar and the clerks through the automated title processing system, if available, of the dealers that have made elections under division (B)(5) of this section and of any elections that have been terminated by the dealer or revoked by the commissioner, as necessary.

(h)(i) For each motor vehicle sold by a dealer that makes an election under division (B)(5) of this section, the clerk that issued the certificate of title shall receive a poundage fee equal to the poundage fee that the clerk would have been entitled to retain if the dealer had remitted the tax due to

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the clerk under division (A)(5)(a) of this section.

(ii) On or before the twentieth day of each month, the commissioner shall calculate the poundage fees due to each clerk in the state under division (B)(5)(h)(i) of this section for motor vehicles titled in the preceding month. The commissioner shall certify those amounts to the director of budget and management, who shall transfer the sum of those amounts from the general revenue fund to the poundage fee compensation fund, which is hereby created in the state treasury.

(iii) On or before the tenth day of each month following a deposit to the poundage fee compensation fund under division (B)(5)(h)(ii) of this section, the director of budget and management shall distribute the amount certified for each county in the preceding month to the appropriate clerks. Such distributions shall be paid to the certificate of title administration fund of each such county created pursuant to section 325.33 of the Revised Code.

(C)(1) If the transferor indicates on the certificate of title that the odometer reflects mileage in excess of the designed mechanical limit of the odometer, the clerk shall enter the phrase "exceeds mechanical limits" following the mileage designation. If the transferor indicates on the certificate of title that the odometer reading is not the actual mileage, the clerk shall enter the phrase "nonactual: warning - odometer discrepancy" following the mileage designation. The clerk shall use reasonable care in transferring the information supplied by the transferor, but is not liable for any errors or omissions of the clerk or those of the clerk's deputies in the performance of the clerk's duties created by this chapter.

The registrar shall prescribe an affidavit in which the transferor shall swear to the true selling price and, except as provided in this division, the true odometer reading of the motor vehicle. The registrar may prescribe an affidavit in which the seller and buyer provide information pertaining to the odometer reading of the motor vehicle in addition to that required by this section, as such information may be required by the United States secretary of transportation by rule prescribed under authority of subchapter IV of the "Motor Vehicle Information and Cost Savings Act," 86 Stat. 961 (1972), 15 U.S.C. 1981.

(2) Division (C)(1) of this section does not require the giving of information concerning the odometer and odometer reading of a motor vehicle when ownership of a motor vehicle is being transferred as a result of a bequest, under the laws of intestate succession, to a survivor pursuant to section 2106.18, 2131.12, or 4505.10 of the Revised Code, to a transfer-on-death beneficiary or beneficiaries pursuant to section 2131.13 of the Revised Code, in connection with the creation of a security interest or

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for a vehicle with a gross vehicle weight rating of more than sixteen thousand pounds.

(D) When the transfer to the applicant was made in some other state or in interstate commerce, the clerk, except as provided in this section, shall refuse to issue any certificate of title unless the tax imposed by or pursuant to Chapter 5741. of the Revised Code based on the purchaser's county of residence has been paid as evidenced by a receipt issued by the tax commissioner, or unless the applicant submits with the application payment of the tax. Upon payment of the tax in accordance with division (E) of this section, the clerk shall issue a receipt prescribed by the registrar and agreed upon by the tax commissioner, showing payment of the tax.

For receiving and disbursing such taxes paid to the clerk by a resident of the clerk's county, the clerk may retain a poundage fee of one and one one-hundredth per cent. The clerk shall not retain a poundage fee from payments of taxes by persons who do not reside in the clerk's county.

A clerk, however, may retain from the taxes paid to the clerk an amount equal to the poundage fees associated with certificates of title issued by other clerks of courts of common pleas to applicants who reside in the first clerk's county. The registrar, in consultation with the tax commissioner and the clerks of the courts of common pleas, shall develop a report from the automated title processing system that informs each clerk of the amount of the poundage fees that the clerk is permitted to retain from those taxes because of certificates of title issued by the clerks of other counties to applicants who reside in the first clerk's county.

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When the vendor is not regularly engaged in the business of selling motor vehicles, the vendor shall not be required to purchase a vendor's license or make reports concerning those sales.

(E) The clerk shall accept any payment of a tax in cash, or by cashier's check, certified check, draft, money order, or teller check issued by any insured financial institution payable to the clerk and submitted with an application for a certificate of title under division (B) or (D) of this section. The clerk also may accept payment of the tax by corporate, business, or personal check, credit card, electronic transfer or wire transfer, debit card, or any other accepted form of payment made payable to the clerk. The clerk may require bonds, guarantees, or letters of credit to ensure the collection of corporate, business, or personal checks. Any service fee charged by a third party to a clerk for the use of any form of payment may be paid by the clerk from the certificate of title administration fund created in section 325.33 of the Revised Code, or may be assessed by the clerk upon the applicant as an additional fee. Upon collection, the additional fees shall be paid by the clerk

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into that certificate of title administration fund.

The clerk shall make a good faith effort to collect any payment of taxes due but not made because the payment was returned or dishonored, but the clerk is not personally liable for the payment of uncollected taxes or uncollected fees. The clerk shall notify the tax commissioner of any such payment of taxes that is due but not made and shall furnish the information to the commissioner that the commissioner requires. The clerk shall deduct the amount of taxes due but not paid from the clerk's periodic remittance of tax payments, in accordance with procedures agreed upon by the tax commissioner. The commissioner may collect taxes due by assessment in the manner provided in section 5739.13 of the Revised Code.

Any person who presents payment that is returned or dishonored for any reason is liable to the clerk for payment of a penalty over and above the amount of the taxes due. The clerk shall determine the amount of the penalty, and the penalty shall be no greater than that amount necessary to compensate the clerk for banking charges, legal fees, or other expenses incurred by the clerk in collecting the returned or dishonored payment. The remedies and procedures provided in this section are in addition to any other available civil or criminal remedies. Subsequently collected penalties, poundage fees, and title fees, less any title fee due the state, from returned or dishonored payments collected by the clerk shall be paid into the certificate of title administration fund. Subsequently collected taxes, less poundage fees, shall be sent by the clerk to the treasurer of state at the next scheduled periodic remittance of tax payments, with information as the commissioner may require. The clerk may abate all or any part of any penalty assessed under this division.

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(F) In the following cases, the clerk shall accept for filing an application and shall issue a certificate of title without requiring payment or evidence of payment of the tax:

(1) When the purchaser is this state or any of its political subdivisions, a church, or an organization whose purchases are exempted by section 5739.02 of the Revised Code;

(2) When the transaction in this state is not a retail sale as defined by section 5739.01 of the Revised Code;

(3) When the purchase is outside this state or in interstate commerce and the purpose of the purchaser is not to use, store, or consume within the meaning of section 5741.01 of the Revised Code;

(4) When the purchaser is the federal government;

(5) When the motor vehicle was purchased outside this state for use outside this state;

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(6) When the motor vehicle is purchased by a nonresident under the circumstances described in division (B)(1) of section 5739.029 of the Revised Code, and upon presentation of a copy of the affidavit provided by that section, and a copy of the exemption certificate provided by section 5739.03 of the Revised Code;

(7) When the applicant is a new or used motor vehicle dealer that makes an election and submits a certificate under division (B)(5) of this section.

(G) An application, as prescribed by the registrar and agreed to by the tax commissioner, shall be filled out and sworn to by the buyer of a motor vehicle in a casual sale. The application shall contain the following notice in bold lettering: "WARNING TO TRANSFEROR AND TRANSFEREE (SELLER AND BUYER): You are required by law to state the true selling price. A false statement is in violation of section 2921.13 of the Revised Code and is punishable by six months' imprisonment or a fine of up to one thousand dollars, or both. All transfers are audited by the department of taxation. The seller and buyer must provide any information requested by the department of taxation. The buyer may be assessed any additional tax found to be due."

(H) For sales of manufactured homes or mobile homes occurring on or after January 1, 2000, the clerk shall accept for filing, pursuant to Chapter 5739. of the Revised Code, an application for a certificate of title for a manufactured home or mobile home without requiring payment of any tax pursuant to section 5739.02, 5741.021, 5741.022, or 5741.023 of the Revised Code, or a receipt issued by the tax commissioner showing payment of the tax. For sales of manufactured homes or mobile homes occurring on or after January 1, 2000, the applicant shall pay to the clerk an additional fee of five dollars for each certificate of title issued by the clerk for a manufactured or mobile home pursuant to division (H) of section 4505.11 of the Revised Code and for each certificate of title issued upon transfer of ownership of the home. The clerk shall credit the fee to the county certificate of title administration fund, and the fee shall be used to pay the expenses of archiving those certificates pursuant to division (A) of section 4505.08 and division (H)(3) of section 4505.11 of the Revised Code. The tax commissioner shall administer any tax on a manufactured or mobile home pursuant to Chapters 5739. and 5741. of the Revised Code.

(I) Every clerk shall have the capability to transact by electronic means all procedures and transactions relating to the issuance of motor vehicle certificates of title that are described in the Revised Code as being accomplished by electronic means.

Sec. 4508.02. (A)(1) The director of public safety, subject to Chapter

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from and the errors complained of, within sixty days after the entry of the order upon the journal of the commission. The notice of appeal shall be served, unless waived, upon the chairperson of the commission or, in the event of the chairperson's absence, upon any public utilities commissioner, or by leaving a copy at the office of the commission at Columbus. An order issued by the commission to secure compliance with Chapter 4921. or 4923. of the Revised Code or an order issued under division (A)(1) of this section assessing a forfeiture shall be reversed, vacated, or modified on appeal if, upon consideration of the record, the court is of the opinion that the order was unlawful or unreasonable.

(E) Only for such violations that constitute violations of the "Hazardous Materials Transportation Uniform Safety Act of 1990," 104 Stat. 3244, 49 U.S.C.A. App. 1804 and 1805, or regulations adopted under the act, the commission, in determining liability, shall use the same standard of culpability for civil forfeitures under this section as that set forth for civil penalties under section 12 of the "Hazardous Materials Transportation Uniform Safety Act of 1990," 104 Stat. 3244, 49 U.S.C.A. App. 1809. The commission shall consider the assessment considerations for civil penalties specified in regulations adopted under the "Hazardous Materials Transportation Act," 88 Stat. 2156 (1975), 49 U.S.C. 1801.

Sec. 4927.13. (A) An incumbent local exchange carrier that is an eligible telecommunications carrier under 47 C.F.R. 54.201 shall implement lifeline service ~~throughout the carrier's traditional service area for its eligible residential customers~~ consistent with the requirements of federal law. JRI'

(1) Lifeline service shall consist of all of the following:

(a) ~~Flat-rate, monthly, primary~~ Monthly access line service ~~with touch-tone service,~~ at a recurring discount to the monthly basic local exchange service rate that provides for the maximum contribution of federally available assistance;

(b) Not more than once per customer at a single address in a twelve-month period, a waiver of all nonrecurring service order charges for establishing service;

(c) Free blocking of toll service, 900 service, and 976 service.

The carrier may offer to lifeline service customers any other services and bundles or packages of services at the prevailing prices, less the lifeline discount.

(2) The carrier also shall offer special payment arrangements to lifeline service customers that have past due bills for regulated local service charges, with the initial payment not to exceed twenty-five dollars before service is installed, and the balance for regulated local service charges to be

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(B) If a third party determines that it overpaid a claim for payment, the third party may seek to recover all or part of the overpayment by filing a notice of its intent to seek recovery with the department or medicaid managed care organization, as applicable. The notice of recovery must be filed in writing before the date the payment is final. The notice must specify all of the following:

(1) The full name of the medical assistance recipient who received the medical item or service that is the subject of the claim;

(2) The date or dates on which the medical item or service was provided;

(3) The amount allegedly overpaid and the amount the third party seeks to recover;

(4) The claim number and any other number the department or medicaid managed care organization has assigned to the claim;

(5) The third party's rationale for seeking recovery;

(6) The date the third party made the payment and the method of payment used;

(7) If payment was made by check, the check number;

(8) Whether the third party would prefer to receive the amount being sought by obtaining a payment from the department or medicaid managed care organization, either by check or electronic means, or by offsetting the amount from a future payment to be made to the department or medicaid managed care organization.

(C) If the department or appropriate medicaid managed care organization determines that a notice of recovery was filed before the claim for payment is final and agrees to the amount sought by the third party, the department or medicaid managed care organization, as applicable, shall notify the third party in writing of its determination and agreement. Recovery of the amount shall proceed in accordance with the method specified by the third party pursuant to division (B)(8) of this section.

Sec. 5162.021. The medicaid director shall adopt rules under sections 5160.02, 5162.02, ~~5163.03~~ 5163.02, ~~5164.04~~ 5164.02, ~~5165.05~~ 5165.02, 5166.02, and 5167.02 of the Revised Code as necessary to authorize the directors of other state agencies to adopt rules regarding medicaid components, or aspects of medicaid components, the other state agencies administer pursuant to contracts entered into under section 5162.35 of the Revised Code. JRK

When the director of another state agency adopts a rule that would increase the medicaid payment rate for a medicaid service provided under a medicaid component or aspect of a medicaid component that the other state JRK

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agency administers, the director of the other state agency shall comply with section 5164.021 of the Revised Code as if that director were the medicaid director. JRK

Sec. 5162.12. (A) The medicaid director shall enter into a contract with one or more persons to receive and process, on the director's behalf, requests for medicaid recipient or claims payment data, data from reports of audits conducted under section 5165.109 of the Revised Code, or extracts or analyses of any of the foregoing data made by persons who intend to use the items prepared pursuant to the requests for commercial or academic purposes.

(B) At a minimum, a contract entered into under this section shall do both of the following:

(1) Authorize the contracting person to engage in the activities described in division (A) of this section for compensation, which must be stated as a percentage of the fees paid by persons who are provided the items;

(2) Require the contracting person to charge for an item prepared pursuant to a request a fee in an amount equal to one hundred two per cent of the cost the department of medicaid incurs in making the data used to prepare the item available to the contracting person.

(C) Except as required by federal or state law and subject to division (E) of this section, both of the following conditions apply with respect to a request for data described in division (A) of this section:

(1) The request shall be made through a person who has entered into a contract with the medicaid director under this section.

(2) An item prepared pursuant to the request may be provided to the department of medicaid and is confidential and not subject to disclosure under section 149.43 or 1347.08 of the Revised Code.

(D) The medicaid director shall use fees the director receives pursuant to a contract entered into under this section to pay obligations specified in contracts entered under this section. Any money remaining after the obligations are paid shall be deposited in the health ~~care services administration~~ care/medicaid support and recoveries fund created under section ~~5162.54~~ 5162.52 of the Revised Code.

(E) This section does not apply to requests for medicaid recipient or claims payment data, data from reports of audits conducted under section 5165.109 of the Revised Code, or extracts or analyses of any of the foregoing data that are for any of the following purposes:

(1) Treatment of medicaid recipients;

(2) Payment of medicaid claims;

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regulation is amended effective January 1, 2014.

"Expansion eligibility group" means the medicaid eligibility group described in section 1902(a)(10)(A)(i)(VIII) of the "Social Security Act," 42 U.S.C. 1396a(a)(10)(A)(i)(VIII).

"Federal financial participation" has the same meaning as in section 5160.01 of the Revised Code.

"Federal medical assistance percentage for the expansion eligibility group" means the amount of the federal government's share of expenditures for medicaid services provided to medicaid recipients enrolled in the medicaid program on the basis of being included in the expansion eligibility group, as established by section 1905(y) of the "Social Security Act," 42 U.S.C. 1396d(y). JRK

"Federal poverty line" has the same meaning as in section 5162.01 of the Revised Code.

"Healthy start component" has the same meaning as in section 5162.01 of the Revised Code.

"Home and community-based services medicaid waiver component" has the same meaning as in section 5166.01 of the Revised Code.

"Intermediate care facility for individuals with intellectual disabilities" and "ICF/IID" have the same meanings as in section 5124.01 of the Revised Code.

"Mandatory eligibility groups" means the groups of individuals that must be covered by the medicaid state plan as a condition of the state receiving federal financial participation for the medicaid program.

"Medicaid buy-in for workers with disabilities program" means the component of the medicaid program established under sections 5163.09 to 5163.098 of the Revised Code.

"Medicaid services" has the same meaning as in section 5164.01 of the Revised Code.

"Medicaid waiver component" has the same meaning as in section 5166.01 of the Revised Code.

"Nursing facility" and "nursing facility services" have the same meanings as in section 5165.01 of the Revised Code.

"Optional eligibility groups" means the groups of individuals who may be covered by the medicaid state plan or a federal medicaid waiver and for whom the medicaid program receives federal financial participation.

"Other medicaid-funded long-term care services" has the meaning specified in rules adopted under section 5163.02 of the Revised Code.

"Supplemental security income program" means the program established by Title XVI of the "Social Security Act," 42 U.S.C. 1381 et

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seq.

Sec. 5163.03. (A) Subject to section 5163.05 of the Revised Code, the medicaid program shall cover all mandatory eligibility groups.

(B) The medicaid program shall cover all of the optional eligibility groups that state statutes require the medicaid program to cover.

(C) The medicaid program may cover any of the optional eligibility groups to which either of the following applies:

(1) State statutes expressly permit the medicaid program to cover the optional eligibility group.

(2) ~~State statutes do not address whether the~~ The medicaid program ~~may cover~~ covers the optional eligibility group on the effective date of this amendment.

(D) The medicaid program shall not cover ~~any~~ an optional eligibility group ~~that state~~ to which either of the following applies:

(1) State statutes prohibit the medicaid program from covering the optional eligibility group.

(2) Except as provided in divisions (B) and (C)(1) of this section, the medicaid program does not cover the optional eligibility group on the effective date of this amendment.

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Sec. 5163.15. (A) Except as provided in divisions (B) and (C) of this section, the medicaid program shall not cover the expansion eligibility group on or after July 1, 2018.

(B) Subject to division (C) of this section, an individual enrolled on June 30, 2018, in the medicaid program on the basis of being included in the expansion eligibility group may continue to be enrolled in the medicaid program until the earlier of the following:

(1) The date the individual ceases to meet the eligibility requirements for the medicaid program;

(2) If the federal medical assistance percentage for the expansion eligibility group is reduced by federal legislation enacted on or after July 1, 2018, the date the reduction takes effect.

(C) The medicaid program shall continue to cover individuals who meet the eligibility requirements for the expansion eligibility group if the individual has either of the following:

(1) A mental illness as defined in section 5119.01 of the Revised Code;

(2) A drug addiction as defined in section 5119.01 of the Revised Code.

(D) This section does not preclude an individual who meets the requirements for the expansion eligibility group from enrolling, or continuing to be enrolled, in the medicaid program if the individual is eligible for medicaid on the basis of being included in another eligibility

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group the medicaid program covers. JRK

Sec. 5164.01. As used in this chapter:

(A) "Adjudication" has the same meaning as in section 119.01 of the Revised Code.

(B) "Behavioral health redesign" means proposals developed in a collaborative effort by the office of health transformation, department of medicaid, and department of mental health and addiction services to make revisions to the medicaid program's coverage of community behavioral health services beginning July 1, 2017, including revisions that update medicaid billing codes and payment rates for community behavioral health services.

(C) "Clean claim" has the same meaning as in 42 C.F.R. 447.45(b).

(D) "Community behavioral health services" means both of the following:

(1) Alcohol and drug addiction services provided by a community addiction services provider, as defined in section 5119.01 of the Revised Code;

(2) Mental health services provided by a community mental health services provider, as defined in section 5119.01 of the Revised Code.

(E) "Early and periodic screening, diagnostic, and treatment services" has the same meaning as in the "Social Security Act," section 1905(r), 42 U.S.C. 1396d(r).

~~(C)~~(F) "Federal financial participation" has the same meaning as in section 5160.01 of the Revised Code.

~~(D)~~(G) "Federal poverty line" has the same meaning as in section 5162.01 of the Revised Code.

(H) "Healthcheck" means the component of the medicaid program that provides early and periodic screening, diagnostic, and treatment services.

~~(E)~~(I) "Home and community-based services medicaid waiver component" has the same meaning as in section 5166.01 of the Revised Code.

~~(F)~~(J) "Hospital" has the same meaning as in section 3727.01 of the Revised Code.

~~(G)~~(K) "ICDS participant" means a dual eligible individual who participates in the integrated care delivery system.

~~(H)~~(L) "ICF/IID" has the same meaning as in section 5124.01 of the Revised Code.

~~(I)~~(M) "Integrated care delivery system" and "ICDS" mean the demonstration project authorized by section 5164.91 of the Revised Code.

~~(J)~~(N) "Mandatory services" means the health care services and items

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that must be covered by the medicaid state plan as a condition of the state receiving federal financial participation for the medicaid program.

~~(K)~~(O) "Medicaid managed care organization" has the same meaning as in section 5167.01 of the Revised Code.

~~(L)~~(P) "Medicaid provider" means a person or government entity with a valid provider agreement to provide medicaid services to medicaid recipients. To the extent appropriate in the context, "medicaid provider" includes a person or government entity applying for a provider agreement, a former medicaid provider, or both.

~~(M)~~(Q) "Medicaid services" means either or both of the following:

(1) Mandatory services;

(2) Optional services that the medicaid program covers.

~~(N)~~(R) "Nursing facility" has the same meaning as in section 5165.01 of the Revised Code.

~~(O)~~(S) "Optional services" means the health care services and items that may be covered by the medicaid state plan or a federal medicaid waiver and for which the medicaid program receives federal financial participation.

~~(P)~~(T) "Prescribed drug" has the same meaning as in 42 C.F.R. 440.120.

~~(Q)~~(U) "Provider agreement" means an agreement to which all of the following apply:

(1) It is between a medicaid provider and the department of medicaid;

(2) It provides for the medicaid provider to provide medicaid services to medicaid recipients;

(3) It complies with 42 C.F.R. 431.107(b).

~~(R)~~(V) "State plan home and community-based services" means home and community-based services that, as authorized by section 1915(i) of the "Social Security Act," 42 U.S.C. 1396n(i), may be covered by the medicaid program pursuant to an amendment to the medicaid state plan.

(W) "Terminal distributor of dangerous drugs" has the same meaning as in section 4729.01 of the Revised Code.

Sec. 5164.02. (A) ~~The~~ Subject to section 5164.021 of the Revised Code, the medicaid director shall adopt rules as necessary to implement this chapter. The rules shall be adopted in accordance with Chapter 119. of the Revised Code.

(B) The rules shall establish all of the following:

(1) The amount, duration, and scope of the medicaid services covered by the medicaid program;

(2) The medicaid payment ~~amount~~ rate for each medicaid service or, in lieu of the ~~payment amount~~ rate, the method by which the ~~payment amount~~ rate is to be determined for each medicaid service;

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(3) Procedures for enforcing the rules adopted under this section that provide due process protections, including procedures for corrective action plans for, and imposing financial and administrative sanctions on, persons and government entities that violate the rules.

(C) The rules may be different for different medicaid services.

(D) The medicaid director is not required to adopt a rule establishing the medicaid payment ~~amount~~ rate for a medicaid service if the director adopts a rule establishing the method by which the ~~payment amount~~ rate is to be determined for the medicaid service and makes the ~~payment amount~~ rate available on the internet web site maintained by the department of medicaid.

Sec. 5164.021. For purposes of sections 103.417 and 5164.69 of the Revised Code, the medicaid director may not designate an effective date for a rule increasing the medicaid payment rate for a medicaid service that is earlier than the one hundred twenty-first day after the date on which it is filed in final form under section 119.04 of the Revised Code. This applies to such a rule regardless of whether the rule involves a change to the method by which the medicaid payment rate is to be determined or specifies the actual amount of the rate increase.

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Sec. 5164.10. The medicaid program may cover one or more state plan home and community-based services that the department of medicaid selects for coverage. A medicaid recipient of any age may receive a state plan home and community-based service if the recipient has countable income not exceeding two hundred twenty-five per cent of the federal poverty line, has a medical need for the service, and meets all other eligibility requirements for the service specified in rules adopted under section 5164.02 of the Revised Code. The rules may not require a medicaid recipient to undergo a level of care determination to be eligible for a state plan home and community-based service.

Sec. 5164.29. Not later than December 31, 2018, the department of medicaid shall develop and implement revisions to the system by which persons and government entities become and remain medicaid providers so that there is a single system of records for the system and the persons and government entities do not have to submit duplicate data to the state to become or remain medicaid providers for any component or aspect of a component of the medicaid program, including a component or aspect of a component administered by another state agency or political subdivision pursuant to a contract entered into under section 5162.35 of the Revised Code. The departments of aging, developmental disabilities, and mental health and addiction services shall participate in the development of the revisions and shall utilize the revised system.

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written information and documents to the department. The information and documents may pertain to any of the following issues:

(a) Whether the determination to suspend the provider agreement was based on a mistake of fact, other than the validity of the indictment;

(b) Whether any offense charged in the indictment resulted from an offense specified in division (E) of this section;

(c) Whether the provider or owner can demonstrate that the provider or owner did not directly or indirectly sanction the action of its authorized agent, associate, manager, or employee that resulted in the indictment.

(3) The department shall review the information and documents submitted in a request for reconsideration. After the review, the suspension may be affirmed, reversed, or modified, in whole or in part. The department shall notify the affected provider or owner of the results of the review. The review and notification of its results shall be completed not later than forty-five days after receiving the information and documents submitted in a request for reconsideration.

(H) Rules adopted under section 5164.02 of the Revised Code may specify circumstances under which the department would not suspend a provider agreement pursuant to this section.

Sec. 5164.57. (A)(1) Except as provided in ~~division~~ divisions (A)(2) and (3) of this section, the department of medicaid may recover a medicaid payment or portion of a payment made to a medicaid provider to which the provider is not entitled if the department notifies the provider of the overpayment during the five-year period immediately following the end of the state fiscal year in which the overpayment was made.

(2) In the case of a hospital medicaid provider, if the department determines as a result of a medicare or medicaid cost report settlement that the provider received an amount under the medicaid program to which the provider is not entitled, the department may recover the overpayment if the department notifies the provider of the overpayment during the later of the following:

(a) The five-year period immediately following the end of the state fiscal year in which the overpayment was made;

(b) The one-year period immediately following the date the department receives from the United States centers for medicare and medicaid services a completed, audited, medicare cost report for the provider that applies to the state fiscal year in which the overpayment was made.

(3) In the case of a nursing facility provider or ICF/IID provider, if the department determines, from data in the possession of the department or another state agency at the time the department makes the determination,

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that the provider received an amount under the medicaid program to which the provider is not entitled, the department may recover the overpayment if the department notifies the provider of the overpayment during the three-year period immediately following the end of the state fiscal year in which the overpayment is made.

(B) Among the overpayments that may be recovered under this section are the following:

(1) Payment for a medicaid service, or a day of service, not rendered;

(2) Payment for a day of service at a full per diem rate that should have been paid at a percentage of the full per diem rate;

(3) Payment for a medicaid service, or day of service, that was paid by, or partially paid by, a third party, as defined in section 5160.35 of the Revised Code, and the third party's payment or partial payment was not offset against the amount paid by the medicaid program to reduce or eliminate the amount that was paid by the medicaid program;

(4) Payment when a medicaid recipient's responsibility for payment was understated and resulted in an overpayment to the provider.

(C) The department may recover an overpayment under this section prior to or after any of the following:

(1) Adjudication of a final fiscal audit that section 5164.38 of the Revised Code requires to be conducted in accordance with Chapter 119. of the Revised Code;

(2) Adjudication of a finding under any other provision of state statutes governing the medicaid program or the rules adopted under those statutes;

(3) Expiration of the time to issue a final fiscal audit that section 5164.38 of the Revised Code requires to be conducted in accordance with Chapter 119. of the Revised Code;

(4) Expiration of the time to issue a finding under any other provision of state statutes governing the medicaid program or the rules adopted under those statutes.

(D)(1) Subject to division (D)(2) of this section, the recovery of an overpayment under this section does not preclude the department from subsequently doing the following:

(a) Issuing a final fiscal audit in accordance with Chapter 119. of the Revised Code, as required under section 5164.38 of the Revised Code;

(b) Issuing a finding under any other provision of state statutes governing the medicaid program or the rules adopted under those statutes.

(2) A final fiscal audit or finding issued subsequent to the recovery of an overpayment under this section shall be reduced by the amount of the prior recovery, as appropriate.

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(E) Nothing in this section limits the department's authority to recover overpayments pursuant to any other provision of the Revised Code.

Sec. 5164.69. (A) Neither the department of medicaid nor another state agency with which the department has entered into a contract under section 5162.35 of the Revised Code to administer one or more components of the medicaid program or one or more aspects of a component may increase the medicaid payment rate for a medicaid service, by rule or otherwise, if any of the following applies:

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(1) The department or other state agency fails to submit the proposal to the joint medicaid oversight committee in accordance with section 103.417 of the Revised Code.

(2) The joint medicaid oversight committee votes, not later than the deadline established by section 103.417 of the Revised Code, to prohibit implementation of the proposal.

(3) The general assembly, not later than ninety days after that deadline, adopts a concurrent resolution prohibiting implementation of the proposal.

(B) The general assembly's authority to adopt a concurrent resolution prohibiting implementation of a proposal to increase the medicaid payment rate for a medicaid service applies regardless of whether the joint medicaid oversight committee votes to permit implementation of the proposal or fails to vote on the proposal before the deadline.

(C) This section applies to a proposal to increase the medicaid payment rate for a medicaid service regardless of whether the proposal involves a change to the method by which the rate is to be determined or specifies the actual amount of the rate increase.

Sec. 5164.70. Except as otherwise required by federal statute or regulation, no medicaid payment for any medicaid service provided by a hospital, nursing facility, or ICF/IID shall exceed ~~the following:~~

~~(A) If the medicaid provider is a hospital, nursing facility, or ICF/IID,~~ the limits established under Subpart C of 42 C.F.R. Part 447~~;~~

~~(B) If the medicaid provider is other than a provider described in division (A) of this section, the authorized payment limits for the same service under the medicare program~~.

Sec. 5164.752. In July of every even-numbered year, the department of medicaid shall initiate a confidential survey of the cost of dispensing drugs incurred by terminal distributors of dangerous drugs in this state. The survey shall be used as the basis for establishing the medicaid program's dispensing ~~fee~~ fees for terminal distributors in accordance with section 5164.753 of the Revised Code. The survey shall be completed and its results published not later than the last day of ~~October~~ November of the year in which it is

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conducted.

Each terminal distributor that is a provider of drugs under the medicaid program shall participate in the survey. Except as necessary to publish the survey's results, a terminal distributor's responses to the survey are confidential and not a public record under section 149.43 of the Revised Code.

The survey shall be conducted in conformance with the requirements set forth in 42 C.F.R. 447.500 to 447.518. The survey shall include operational data and direct prescription expenses, professional services and personnel costs, and usual and customary overhead expenses of the terminal distributors surveyed. The survey shall compute and report the cost of dispensing ~~on a basis of the usual and customary charges~~ by terminal distributors ~~to their customers for dispensing drugs~~.

Sec. 5164.753. In December of every even-numbered year, the medicaid director shall establish ~~a~~ dispensing ~~fee~~ fees, effective the following July, for terminal distributors of dangerous drugs that are providers of drugs under the medicaid program. In establishing ~~the~~ dispensing ~~fee~~ fees, the director shall take into consideration the results of the survey conducted under section 5164.752 of the Revised Code. The director may establish dispensing fees that vary by terminal distributor, taking into consideration the volume of drugs a terminal distributor dispenses under the medicaid program or any other criteria the director considers relevant.

Sec. 5164.761. Before the department of medicaid or department of mental health and addiction services updates medicaid billing codes or medicaid payment rates for community behavioral health services as part of the behavioral health redesign, the departments shall conduct a beta test of the updates. Any medicaid provider of community behavioral health services may volunteer to participate in the beta test. An update may not begin to be implemented outside of the beta test until at least half of the medicaid providers participating in the beta test are able to submit under the beta test a clean claim for community behavioral health services that is properly adjudicated not later than thirty days after the date the clean claim is submitted.

Sec. 5164.78. (A) The medicaid payment rates for the following neonatal and newborn services shall equal seventy-five per cent of the medicare payment rates for the services in effect on the date the services are provided to medicaid recipients eligible for the services:

(1) Initial care for normal newborns;

(2) Subsequent day, hospital care for normal newborns;

(3) Same day, initial history and physical examination and discharge for

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normal newborns;

(4) Initial neonatal critical care for children not more than twenty-eight days old;

(5) Subsequent day, neonatal critical care for children not more than twenty-eight days old;

(6) Subsequent day, pediatric critical care for children at least twenty-nine days but less than two years old;

(7) Initial neonatal intensive care;

(8) Subsequent day, neonatal intensive noncritical care for children weighing less than one thousand five hundred grams;

(9) Subsequent day, neonatal intensive noncritical care for children weighing at least one thousand five hundred grams but not more than two thousand five hundred grams;

(10) Subsequent day, neonatal noncritical care for children weighing more than two thousand five hundred grams but not more than five thousand grams.

(B) The medicaid payment rates for other medicaid services selected by the medicaid director shall be less than the amount of the rates in effect on the effective date of this section so that the cost of the rates set pursuant to division (A) of this section do not increase medicaid expenditures. The director may not select any medicaid service for which the medicaid payment rate is determined in accordance with state statutes.

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Sec. 5165.01. As used in this chapter:

(A) "Affiliated operator" means an operator affiliated with either of the following:

(1) The exiting operator for whom the affiliated operator is to assume liability for the entire amount of the exiting operator's debt under the medicaid program or the portion of the debt that represents the franchise permit fee the exiting operator owes;

(2) The entering operator involved in the change of operator with the exiting operator specified in division (A)(1) of this section.

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(B) "Allowable costs" are a nursing facility's costs that the department of medicaid determines are reasonable. Fines paid under sections 5165.60 to 5165.89 and section 5165.99 of the Revised Code are not allowable costs.

(C) "Ancillary and support costs" means all reasonable costs incurred by a nursing facility other than direct care costs, tax costs, or capital costs. "Ancillary and support costs" includes, but is not limited to, costs of activities, social services, pharmacy consultants, habilitation supervisors, qualified intellectual disability professionals, program directors, medical and habilitation records, program supplies, incontinence supplies, food, enterals,

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dietary supplies and personnel, laundry, housekeeping, security, administration, medical equipment, utilities, liability insurance, bookkeeping, purchasing department, human resources, communications, travel, dues, license fees, subscriptions, home office costs not otherwise allocated, legal services, accounting services, minor equipment, maintenance and repairs, help-wanted advertising, informational advertising, start-up costs, organizational expenses, other interest, property insurance, employee training and staff development, employee benefits, payroll taxes, and workers' compensation premiums or costs for self-insurance claims and related costs as specified in rules adopted under section 5165.02 of the Revised Code, for personnel listed in this division. "Ancillary and support costs" also means the cost of equipment, including vehicles, acquired by operating lease executed before December 1, 1992, if the costs are reported as administrative and general costs on the nursing facility's cost report for the cost reporting period ending December 31, 1992.

(D) "Applicable calendar year" means the calendar year immediately preceding the calendar year that precedes the first of the state fiscal years for which a rebasing is conducted.

(E) "Budget reduction adjustment factor" means the factor specified pursuant to or in section 5165.361 of the Revised Code for a state fiscal year.

(F)(1) "Capital costs" means the actual expense incurred by a nursing facility for all of the following:

(a) Depreciation and interest on any capital assets that cost five hundred dollars or more per item, including the following:

(i) Buildings;

(ii) Building improvements;

(iii) Except as provided in division (C) of this section, equipment;

(iv) Transportation equipment.

(b) Amortization and interest on land improvements and leasehold improvements;

(c) Amortization of financing costs;

(d) Lease and rent of land, buildings, and equipment.

(2) The costs of capital assets of less than five hundred dollars per item may be considered capital costs in accordance with a provider's practice.

~~(E)~~(G) "Capital lease" and "operating lease" shall be construed in accordance with generally accepted accounting principles.

~~(F)~~(H) "Case-mix score" means a measure determined under section 5165.192 of the Revised Code of the relative direct-care resources needed to provide care and habilitation to a nursing facility resident.

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~~(G)~~(I) "Change of operator" means an entering operator becoming the operator of a nursing facility in the place of the exiting operator.

(1) Actions that constitute a change of operator include the following:

(a) A change in an exiting operator's form of legal organization, including the formation of a partnership or corporation from a sole proprietorship;

(b) A transfer of all the exiting operator's ownership interest in the operation of the nursing facility to the entering operator, regardless of whether ownership of any or all of the real property or personal property associated with the nursing facility is also transferred;

(c) A lease of the nursing facility to the entering operator or the exiting operator's termination of the exiting operator's lease;

(d) If the exiting operator is a partnership, dissolution of the partnership;

(e) If the exiting operator is a partnership, a change in composition of the partnership unless both of the following apply:

(i) The change in composition does not cause the partnership's dissolution under state law.

(ii) The partners agree that the change in composition does not constitute a change in operator.

(f) If the operator is a corporation, dissolution of the corporation, a merger of the corporation into another corporation that is the survivor of the merger, or a consolidation of one or more other corporations to form a new corporation.

(2) The following, alone, do not constitute a change of operator:

(a) A contract for an entity to manage a nursing facility as the operator's agent, subject to the operator's approval of daily operating and management decisions;

(b) A change of ownership, lease, or termination of a lease of real property or personal property associated with a nursing facility if an entering operator does not become the operator in place of an exiting operator;

(c) If the operator is a corporation, a change of one or more members of the corporation's governing body or transfer of ownership of one or more shares of the corporation's stock, if the same corporation continues to be the operator.

~~(H)~~(J) "Cost center" means the following:

(1) Ancillary and support costs;

(2) Capital costs;

(3) Direct care costs;

(4) Tax costs.

~~(I)~~(K) "Custom wheelchair" means a wheelchair to which both of the

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following apply:

(1) It has been measured, fitted, or adapted in consideration of either of the following:

(a) The body size or disability of the individual who is to use the wheelchair;

(b) The individual's period of need for, or intended use of, the wheelchair.

(2) It has customized features, modifications, or components, such as adaptive seating and positioning systems, that the supplier who assembled the wheelchair, or the manufacturer from which the wheelchair was ordered, added or made in accordance with the instructions of the physician of the individual who is to use the wheelchair.

~~(J)~~(L)(1) "Date of licensure" means the following:

(a) In the case of a nursing facility that was required by law to be licensed as a nursing home under Chapter 3721. of the Revised Code when it originally began to be operated as a nursing home, the date the nursing facility was originally so licensed;

(b) In the case of a nursing facility that was not required by law to be licensed as a nursing home when it originally began to be operated as a nursing home, the date it first began to be operated as a nursing home, regardless of the date the nursing facility was first licensed as a nursing home.

(2) If, after a nursing facility's original date of licensure, more nursing home beds are added to the nursing facility, the nursing facility has a different date of licensure for the additional beds. This does not apply, however, to additional beds when both of the following apply:

(a) The additional beds are located in a part of the nursing facility that was constructed at the same time as the continuing beds already located in that part of the nursing facility;

(b) The part of the nursing facility in which the additional beds are located was constructed as part of the nursing facility at a time when the nursing facility was not required by law to be licensed as a nursing home.

(3) The definition of "date of licensure" in this section applies in determinations of nursing facilities' medicaid payment rates but does not apply in determinations of nursing facilities' franchise permit fees.

~~(K)~~(M) "Desk-reviewed" means that a nursing facility's costs as reported on a cost report submitted under section 5165.10 of the Revised Code have been subjected to a desk review under section 5165.108 of the Revised Code and preliminarily determined to be allowable costs.

~~(L)~~(N) "Direct care costs" means all of the following costs incurred by a

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nursing facility:

(1) Costs for registered nurses, licensed practical nurses, and nurse aides employed by the nursing facility;

(2) Costs for direct care staff, administrative nursing staff, medical directors, respiratory therapists, and except as provided in division ~~(L)~~(N)(8) of this section, other persons holding degrees qualifying them to provide therapy;

(3) Costs of purchased nursing services;

(4) Costs of quality assurance;

(5) Costs of training and staff development, employee benefits, payroll taxes, and workers' compensation premiums or costs for self-insurance claims and related costs as specified in rules adopted under section 5165.02 of the Revised Code, for personnel listed in divisions ~~(L)~~(N)(1), (2), (4), and (8) of this section;

(6) Costs of consulting and management fees related to direct care;

(7) Allocated direct care home office costs;

(8) Costs of habilitation staff (other than habilitation supervisors), medical supplies, emergency oxygen, over-the-counter pharmacy products, physical therapists, physical therapy assistants, occupational therapists, occupational therapy assistants, speech therapists, audiologists, habilitation supplies, and universal precautions supplies;

(9) ~~Until January 1, 2014, costs of oxygen, wheelchairs, and resident transportation;~~

~~(10) Beginning January 1, 2014, costs of both of the following:~~

~~(a) Emergency oxygen;~~

~~(b) Wheelchairs~~ Costs of wheelchairs other than the following:

~~(i)~~(a) Custom wheelchairs;

~~(ii)~~(b) Repairs to and replacements of custom wheelchairs and parts that are made in accordance with the instructions of the physician of the individual who uses the custom wheelchair.

~~(11)~~(10) Costs of other direct-care resources that are specified as direct care costs in rules adopted under section 5165.02 of the Revised Code.

~~(M)~~(O) "Dual eligible individual" has the same meaning as in section 5160.01 of the Revised Code.

~~(N)~~(P) "Effective date of a change of operator" means the day the entering operator becomes the operator of the nursing facility.

~~(O)~~(Q) "Effective date of a facility closure" means the last day that the last of the residents of the nursing facility resides in the nursing facility.

~~(P)~~(R) "Effective date of an involuntary termination" means the date the department of medicaid terminates the operator's provider agreement for the

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nursing facility.

~~(Q)~~(S) "Effective date of a voluntary withdrawal of participation" means the day the nursing facility ceases to accept new medicaid residents other than the individuals who reside in the nursing facility on the day before the effective date of the voluntary withdrawal of participation.

~~(R)~~(T) "Entering operator" means the person or government entity that will become the operator of a nursing facility when a change of operator occurs or following an involuntary termination.

~~(S)~~(U) "Exiting operator" means any of the following:

(1) An operator that will cease to be the operator of a nursing facility on the effective date of a change of operator;

(2) An operator that will cease to be the operator of a nursing facility on the effective date of a facility closure;

(3) An operator of a nursing facility that is undergoing or has undergone a voluntary withdrawal of participation;

(4) An operator of a nursing facility that is undergoing or has undergone an involuntary termination.

~~(T)~~(V)(1) Subject to divisions ~~(T)~~(V)(2) and (3) of this section, "facility closure" means either of the following:

(a) Discontinuance of the use of the building, or part of the building, that houses the facility as a nursing facility that results in the relocation of all of the nursing facility's residents;

(b) Conversion of the building, or part of the building, that houses a nursing facility to a different use with any necessary license or other approval needed for that use being obtained and one or more of the nursing facility's residents remaining in the building, or part of the building, to receive services under the new use.

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(2) A facility closure occurs regardless of any of the following:

(a) The operator completely or partially replacing the nursing facility by constructing a new nursing facility or transferring the nursing facility's license to another nursing facility;

(b) The nursing facility's residents relocating to another of the operator's nursing facilities;

(c) Any action the department of health takes regarding the nursing facility's medicaid certification that may result in the transfer of part of the nursing facility's survey findings to another of the operator's nursing facilities;

(d) Any action the department of health takes regarding the nursing facility's license under Chapter 3721. of the Revised Code.

(3) A facility closure does not occur if all of the nursing facility's

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residents are relocated due to an emergency evacuation and one or more of the residents return to a medicaid-certified bed in the nursing facility not later than thirty days after the evacuation occurs.

~~(U) "Fiscal year" means the fiscal year of this state, as specified in section 9.34 of the Revised Code.~~

~~(V)~~(W) "Franchise permit fee" means the fee imposed by sections 5168.40 to 5168.56 of the Revised Code.

~~(W)~~(X) "Inpatient days" means both of the following:

(1) All days during which a resident, regardless of payment source, occupies a bed in a nursing facility that is included in the nursing facility's medicaid-certified capacity;

(2) Fifty per cent of the days for which payment is made under section 5165.34 of the Revised Code.

~~(X)~~(Y) "Involuntary termination" means the department of medicaid's termination of the operator's provider agreement for the nursing facility when the termination is not taken at the operator's request.

~~(Y)~~(Z) "Low resource utilization resident" means a medicaid recipient residing in a nursing facility who, for purposes of calculating the nursing facility's medicaid payment rate for direct care costs, is placed in either of the two lowest resource utilization groups, excluding any resource utilization group that is a default group used for residents with incomplete assessment data.

~~(Z)~~(AA) "Maintenance and repair expenses" means a nursing facility's expenditures that are necessary and proper to maintain an asset in a normally efficient working condition and that do not extend the useful life of the asset two years or more. "Maintenance and repair expenses" includes but is not limited to the costs of ordinary repairs such as painting and wallpapering.

~~(AA)~~(BB) "Medicaid-certified capacity" means the number of a nursing facility's beds that are certified for participation in medicaid as nursing facility beds.

~~(BB)~~(CC) "Medicaid days" means both of the following:

(1) All days during which a resident who is a medicaid recipient eligible for nursing facility services occupies a bed in a nursing facility that is included in the nursing facility's medicaid-certified capacity;

(2) Fifty per cent of the days for which payment is made under section 5165.34 of the Revised Code.

~~(CC)~~(DD) "Medicare skilled nursing facility market basket index" means the index established by the United States secretary of health and human services under section 1888(e)(5) of the "Social Security Act," 42

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U.S.C. 1395yy(e)(5).

(EE)(1) "New nursing facility" means a nursing facility for which the provider obtains an initial provider agreement following medicaid certification of the nursing facility by the director of health, including such a nursing facility that replaces one or more nursing facilities for which a provider previously held a provider agreement.

(2) "New nursing facility" does not mean a nursing facility for which the entering operator seeks a provider agreement pursuant to section 5165.511 or 5165.512 or (pursuant to section 5165.515) section 5165.07 of the Revised Code.

~~(DD)~~(FF) "Nursing facility" has the same meaning as in the "Social Security Act," section 1919(a), 42 U.S.C. 1396r(a).

~~(EE)~~(GG) "Nursing facility services" has the same meaning as in the "Social Security Act," section 1905(f), 42 U.S.C. 1396d(f).

~~(FF)~~(HH) "Nursing home" has the same meaning as in section 3721.01 of the Revised Code.

~~(GG)~~(II) "Operator" means the person or government entity responsible for the daily operating and management decisions for a nursing facility.

~~(HH)~~(JJ)(1) "Owner" means any person or government entity that has at least five per cent ownership or interest, either directly, indirectly, or in any combination, in any of the following regarding a nursing facility:

(a) The land on which the nursing facility is located;

(b) The structure in which the nursing facility is located;

(c) Any mortgage, contract for deed, or other obligation secured in whole or in part by the land or structure on or in which the nursing facility is located;

(d) Any lease or sublease of the land or structure on or in which the nursing facility is located.

(2) "Owner" does not mean a holder of a debenture or bond related to the nursing facility and purchased at public issue or a regulated lender that has made a loan related to the nursing facility unless the holder or lender operates the nursing facility directly or through a subsidiary.

~~(II)~~(KK) "Per diem" means a nursing facility's actual, allowable costs in a given cost center in a cost reporting period, divided by the nursing facility's inpatient days for that cost reporting period.

~~(JJ)~~(LL) "Provider" means an operator with a provider agreement.

~~(KK)~~(MM) "Provider agreement" means a provider agreement, as defined in section 5164.01 of the Revised Code, that is between the department of medicaid and the operator of a nursing facility for the provision of nursing facility services under the medicaid program.

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~~(LL)~~(NN) "Purchased nursing services" means services that are provided in a nursing facility by registered nurses, licensed practical nurses, or nurse aides who are not employees of the nursing facility.

~~(MM)~~(OO) "Reasonable" means that a cost is an actual cost that is appropriate and helpful to develop and maintain the operation of patient care facilities and activities, including normal standby costs, and that does not exceed what a prudent buyer pays for a given item or services. Reasonable costs may vary from provider to provider and from time to time for the same provider.

~~(NN)~~(PP) "Rebasing" means a redetermination of each of the following using information from cost reports for an applicable calendar year that is later than the applicable calendar year used for the previous rebasing:

(1) Each peer group's rate for ancillary and support costs as determined pursuant to division (C) of section 5165.16 of the Revised Code;

(2) Each peer group's rate for capital costs as determined pursuant to division (C) of section 5165.17 of the Revised Code;

(3) Each peer group's cost per case-mix unit as determined pursuant to division (C) of section 5165.19 of the Revised Code;

(4) Each nursing facility's rate for tax costs as determined pursuant to section 5165.21 of the Revised Code.

(QQ) "Related party" means an individual or organization that, to a significant extent, has common ownership with, is associated or affiliated with, has control of, or is controlled by, the provider.

(1) An individual who is a relative of an owner is a related party.

(2) Common ownership exists when an individual or individuals possess significant ownership or equity in both the provider and the other organization. Significant ownership or equity exists when an individual or individuals possess five per cent ownership or equity in both the provider and a supplier. Significant ownership or equity is presumed to exist when an individual or individuals possess ten per cent ownership or equity in both the provider and another organization from which the provider purchases or leases real property.

(3) Control exists when an individual or organization has the power, directly or indirectly, to significantly influence or direct the actions or policies of an organization.

(4) An individual or organization that supplies goods or services to a provider shall not be considered a related party if all of the following conditions are met:

(a) The supplier is a separate bona fide organization.

(b) A substantial part of the supplier's business activity of the type

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carried on with the provider is transacted with others than the provider and there is an open, competitive market for the types of goods or services the supplier furnishes.

(c) The types of goods or services are commonly obtained by other nursing facilities from outside organizations and are not a basic element of patient care ordinarily furnished directly to patients by nursing facilities.

(d) The charge to the provider is in line with the charge for the goods or services in the open market and no more than the charge made under comparable circumstances to others by the supplier.

~~(OO)~~(RR) "Relative of owner" means an individual who is related to an owner of a nursing facility by one of the following relationships:

(1) Spouse;

(2) Natural parent, child, or sibling;

(3) Adopted parent, child, or sibling;

(4) Stepparent, stepchild, stepbrother, or stepsister;

(5) Father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law;

(6) Grandparent or grandchild;

(7) Foster caregiver, foster child, foster brother, or foster sister.

~~(PP)~~(SS) "Residents' rights advocate" has the same meaning as in section 3721.10 of the Revised Code.

~~(QQ)~~(TT) "Skilled nursing facility" has the same meaning as in the "Social Security Act," section 1819(a), 42 U.S.C. 1395i-3(a).

~~(RR)~~(UU) "State fiscal year" means the fiscal year of this state, as specified in section 9.34 of the Revised Code.

(VV) "Sponsor" has the same meaning as in section 3721.10 of the Revised Code.

~~(SS)~~(WW) "Tax costs" means the costs of taxes imposed under Chapter 5751. of the Revised Code, real estate taxes, personal property taxes, and corporate franchise taxes.

~~(TT)~~(XX) "Title XIX" means Title XIX of the "Social Security Act," 42 U.S.C. 1396 et seq.

~~(UU)~~(YY) "Title XVIII" means Title XVIII of the "Social Security Act," 42 U.S.C. 1395 et seq.

~~(VV)~~(ZZ) "Voluntary withdrawal of participation" means an operator's voluntary election to terminate the participation of a nursing facility in the medicaid program but to continue to provide service of the type provided by a nursing facility.

Sec. 5165.106. If a nursing facility provider required by section 5165.10 of the Revised Code to file a cost report for the nursing facility fails to file

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the cost report by the date it is due or the date, if any, to which the due date is extended pursuant to division (D) of that section, or files an incomplete or inadequate report for the nursing facility under that section, the department of medicaid shall provide immediate written notice to the provider that the provider agreement for the nursing facility will be terminated in thirty days unless the provider submits a complete and adequate cost report for the nursing facility within thirty days. During the thirty-day termination period or any additional time allowed for an appeal of the proposed termination of a provider agreement, the provider shall be paid the nursing facility's then current per medicaid day payment rate, minus the dollar amount by which nursing facility's per medicaid day payment rates are reduced during state fiscal year 2013 in accordance with division (A)(2) of section 5111.26 of the Revised Code (renumbered as section 5165.10 of the Revised Code by H.B. 59 of the 130th general assembly) as that section existed on the day immediately preceding September 29, 2013. On the first day of each July, the department shall adjust the amount of the reduction in effect during the previous twelve months to reflect the rate of inflation during the preceding twelve months, as shown in the consumer price index for all items for all urban consumers for the north central region, published by the United States bureau of labor statistics.

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Sec. 5165.1010. (A) Subject to division (D) of this section, the department of medicaid shall fine the provider of a nursing facility if the report of an audit conducted under section 5165.109 of the Revised Code regarding a cost report for the nursing facility includes either of the following:

(1) Adverse findings that exceed three per cent of the total amount of medicaid-allowable costs reported in the cost report;

(2) Adverse findings that exceed twenty per cent of medicaid-allowable costs for a particular cost center reported in the cost report.

(B) A fine issued under this section shall equal the greatest of the following:

(1) If the adverse findings exceed three per cent but do not exceed ten per cent of the total amount of medicaid-allowable costs reported in the cost report, the greater of three per cent of those reported costs or ten thousand dollars;

(2) If the adverse findings exceed ten per cent but do not exceed twenty per cent of the total amount of medicaid-allowable costs reported in the cost report, the greater of six per cent of those reported costs or twenty-five thousand dollars;

(3) If the adverse findings exceed twenty per cent of the total amount of

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medicaid-allowable costs reported in the cost report, the greater of ten per cent of those reported costs or fifty thousand dollars;

(4) If the adverse findings exceed twenty per cent but do not exceed twenty-five per cent of medicaid-allowable costs for a particular cost center reported in the cost report, the greater of three per cent of the total amount of medicaid-allowable costs reported in the cost report or ten thousand dollars;

(5) If the adverse findings exceed twenty-five per cent but do not exceed thirty per cent of medicaid-allowable costs for a particular cost center reported in the cost report, the greater of six per cent of the total amount of medicaid-allowable costs reported in the cost report or twenty-five thousand dollars;

(6) If the adverse findings exceed thirty per cent of medicaid-allowable costs for a particular cost center reported in the cost report, the greater of ten per cent of the total amount of medicaid-allowable costs reported in the cost report or fifty thousand dollars.

(C) Fines paid under this section shall be deposited into the health ~~care services administration~~ care/medicaid support and recoveries fund created under section ~~5162.54~~ 5162.52 of the Revised Code.

(D) The department may not collect a fine under this section until all appeal rights relating to the audit report that is the basis for the fine are exhausted.

Sec. 5165.15. Except as otherwise provided by sections 5165.151 to 5165.157 and 5165.34 of the Revised Code, the total per medicaid day payment rate that the department of medicaid shall pay a nursing facility provider for nursing facility services the provider's nursing facility provides during a state fiscal year shall be determined as follows:

(A) Determine the sum of all of the following:

(1) The per medicaid day payment rate for ancillary and support costs determined for the nursing facility under section 5165.16 of the Revised Code;

(2) The per medicaid day payment rate for capital costs determined for the nursing facility under section 5165.17 of the Revised Code;

(3) The per medicaid day payment rate for direct care costs determined for the nursing facility under section 5165.19 of the Revised Code;

(4) The per medicaid day payment rate for tax costs determined for the nursing facility under section 5165.21 of the Revised Code;

(5) If the nursing facility qualifies as a critical access nursing facility, the nursing facility's critical access incentive payment paid under section 5165.23 of the Revised Code;.

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~~(6) Sixteen~~ (B) To the sum determined under division (A) of this section, add the following:

(1) For state fiscal years 2018 and 2019, sixteen dollars and forty-four cents;

(2) For state fiscal year 2020 and, except as provided in division (B)(3) of this section, each state fiscal year thereafter, the sum of the following:

(a) The amount specified or determined for the purpose of division (B) of this section for the immediately preceding state fiscal year;

(b) The difference between the following:

(i) The medicare skilled nursing facility market basket index determined for the federal fiscal year that begins during the state fiscal year immediately preceding the state fiscal year for which the determination is being made under division (B) of this section;

(ii) The budget reduction adjustment factor for the state fiscal year for which the determination is being made under division (B) of this section.

(3) For the first state fiscal year in a group of consecutive state fiscal years for which a rebasing is conducted after state fiscal year 2020, the amount specified or determined for the purpose of division (B) of this section for the immediately preceding state fiscal year.

~~(B)~~(C) From the sum determined under division ~~(A)~~(B) of this section, subtract one dollar and seventy-nine cents.

~~(C)~~(D) To the difference determined under division ~~(B)~~(C) of this section, add the per medicaid day quality payment rate determined for the nursing facility under section 5165.25 of the Revised Code.

Sec. 5165.151. (A) The total per medicaid day payment rate determined under section 5165.15 of the Revised Code shall not be the initial rate for nursing facility services provided by a new nursing facility. Instead, the initial total per medicaid day payment rate for nursing facility services provided by a new nursing facility shall be determined in the following manner:

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(1) The initial rate for ancillary and support costs shall be the rate for the new nursing facility's peer group determined under division ~~(D)~~(C) of section 5165.16 of the Revised Code.

(2) The initial rate for capital costs shall be the rate for the new nursing facility's peer group determined under division ~~(D)~~(C) of section 5165.17 of the Revised Code;

(3) The initial rate for direct care costs shall be the product of the cost per case-mix unit determined under division ~~(D)~~(C) of section 5165.19 of the Revised Code for the new nursing facility's peer group and the new nursing facility's case-mix score determined under division (B) of this

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section.

(4) The initial rate for tax costs shall be the following:

(a) If the provider of the new nursing facility submits to the department of medicaid the nursing facility's projected tax costs for the calendar year in which the provider obtains an initial provider agreement for the new nursing facility, an amount determined by dividing those projected tax costs by the number of inpatient days the nursing facility would have for that calendar year if its occupancy rate were one hundred per cent;

(b) If division (A)(4)(a) of this section does not apply, the median rate for tax costs for the new nursing facility's peer group in which the nursing facility is placed under division ~~(C)~~(B) of section 5165.16 of the Revised Code.

(5) The quality payment shall be the mean quality payment rate determined for nursing facilities under section 5165.25 of the Revised Code.

(6) Fourteen dollars and sixty-five cents shall be added to the sum of the rates and payment specified in divisions (A)(1) to (5) of this section.

(B) For the purpose of division (A)(3) of this section, a new nursing facility's case-mix score shall be the following:

(1) Unless the new nursing facility replaces an existing nursing facility that participated in the medicaid program immediately before the new nursing facility begins participating in the medicaid program, the median annual average case-mix score for the new nursing facility's peer group;

(2) If the nursing facility replaces an existing nursing facility that participated in the medicaid program immediately before the new nursing facility begins participating in the medicaid program, the semiannual case-mix score most recently determined under section 5165.192 of the Revised Code for the replaced nursing facility as adjusted, if necessary, to reflect any difference in the number of beds in the replaced and new nursing facilities.

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(C) Subject to division (D) of this section, the department of medicaid shall adjust the rates established under division (A) of this section effective the first day of July, to reflect new rate calculations for all nursing facilities under this chapter.

(D) If a rate for direct care costs is determined under this section for a new nursing facility using the median annual average case-mix score for the new nursing facility's peer group, the rate shall be redetermined to reflect the new nursing facility's actual semiannual average case-mix score determined under section 5165.192 of the Revised Code after the new nursing facility submits its first two quarterly assessment data that qualify for use in calculating a case-mix score in accordance with rules authorized

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by section 5165.192 of the Revised Code. If the new nursing facility's quarterly submissions do not qualify for use in calculating a case-mix score, the department shall continue to use the median annual average case-mix score for the new nursing facility's peer group in lieu of the new nursing facility's semiannual case-mix score until the new nursing facility submits two consecutive quarterly assessment data that qualify for use in calculating a case-mix score.

Sec. 5165.153. (A) The total per medicaid day payment rate determined under section 5165.15 of the Revised Code shall not be paid for nursing facility services provided by a nursing facility, or discrete unit of a nursing facility, designated by the department of medicaid as an outlier nursing facility or unit. Instead, the provider of a designated outlier nursing facility or unit shall be paid each state fiscal year a total per medicaid day payment rate that the department shall prospectively determine in accordance with a methodology established in rules authorized by this section.

(B) The department may designate a nursing facility, or discrete unit of a nursing facility, as an outlier nursing facility or unit if the nursing facility or unit serves residents who have either of the following:

(1) Diagnoses or special care needs that require direct care resources that are not measured adequately by the resident assessment instrument specified in rules authorized by section 5165.191 of the Revised Code;

(2) Diagnoses or special care needs specified in rules authorized by this section as otherwise qualifying for consideration under this section.

(C) Notwithstanding any other provision of this chapter (except section 5165.156 of the Revised Code), the costs incurred by a designated outlier nursing facility or unit shall not be considered in establishing medicaid payment rates for other nursing facilities or units.

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(D) The medicaid director shall adopt rules under section 5165.02 of the Revised Code as necessary to implement this section.

(1)(a) The rules shall do both of the following:

(i) Specify the criteria and procedures the department will apply when designating a nursing facility, or discrete unit of a nursing facility, as an outlier nursing facility or unit;

(ii) Establish a methodology for prospectively determining the total per medicaid day payment rate that will be paid each state fiscal year for nursing facility services provided by a designated outlier nursing facility or unit.

(b) The rules authorized by division (D)(1)(a)(i) of this section regarding the criteria for designating outlier nursing facilities and units shall do both of the following:

(i) Provide for consideration of whether all of the allowable costs of a

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nursing facility, or discrete unit of a nursing facility, would be paid by a rate determined under section 5165.15 of the Revised Code;

(ii) Specify the minimum number of nursing facility beds that a nursing facility, or discrete unit of a nursing facility, must have to be designated an outlier nursing facility or unit, which may vary based on the diagnoses or special care needs of the residents served by the nursing facility or unit.

(c) The rules authorized by division (D)(1)(a)(i) of this section regarding the criteria for designating outlier nursing facilities and units shall not limit the designation to nursing facilities, or discrete units of nursing facilities, located in large cities.

(d) The rules authorized by division (D)(1)(a)(ii) of this section regarding the methodology for prospectively determining the rates of designated outlier nursing facilities and units shall provide for the methodology to consider the historical costs of providing nursing facility services to the residents of designated outlier nursing facilities and units.

(2)(a) The rules may do both of the following:

(i) Include for designation as an outlier nursing facility or unit, a nursing facility, or discrete unit of a nursing facility, that serves medically fragile pediatric residents; residents who are dependent on ventilators; residents who have severe traumatic brain injury, end-stage Alzheimer's disease, or end-stage acquired immunodeficiency syndrome; or residents with other diagnoses or special care needs specified in the rules;

(ii) Require that a designated outlier nursing facility receive authorization from the department before admitting or retaining a resident.

(b) If the director adopts rules authorized by division (D)(2)(a)(ii) of this section regarding the authorization of a designated outlier nursing facility or unit to admit or retain a resident, the rules shall specify the criteria and procedures the department will apply when granting that authorization.

Sec. 5165.154. (A) To the extent, if any, provided for in rules authorized by this section, the total per medicaid day payment rate determined under section 5165.15 of the Revised Code shall not be paid for nursing facility services that a nursing facility not designated as an outlier nursing facility or unit provides to a resident who meets the criteria for admission to a designated outlier nursing facility or unit, as specified in rules authorized by section 5165.153 of the Revised Code. Instead, the provider of a nursing facility providing nursing facility services to such a resident shall be paid each state fiscal year a total per medicaid day payment rate that the department of medicaid shall prospectively determine in accordance with a methodology established in rules authorized by this section.

(B) The medicaid director may adopt rules under section 5165.02 of the

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Revised Code to implement this section. The rules may require that a nursing facility receive authorization from the department before admitting or retaining a resident who meets the criteria for admission to a designated outlier nursing facility or unit. If the director adopts such rules, the rules shall specify the criteria and procedures the department will apply when granting the authorization.

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Sec. 5165.157. (A) The medicaid director shall establish an alternative purchasing model for nursing facility services provided by designated discrete units of nursing facilities to medicaid recipients with specialized health care needs. The director shall do all of the following with regard to the model:

(1) Establish criteria that a discrete unit of a nursing facility must meet to be designated as a unit that, under the alternative purchasing model, may admit and provide nursing facility services to medicaid recipients with specialized health care needs;

(2) Specify the health care conditions that medicaid recipients must have to have specialized health care needs, which may include dependency on a ventilator, severe traumatic brain injury, the need to be admitted to a long-term acute care hospital or rehabilitation hospital if not for nursing facility services, and other serious health care conditions;

(3) For each fiscal year, set the total per medicaid day payment rate for nursing facility services provided by designated discrete units of nursing facilities under the alternative purchasing model at either of the following:

(a) ~~Sixty~~ Thirty-four per cent of the statewide average of the total per medicaid day payment rate for long-term acute care hospital services as of the first day of the fiscal year;

(b) Another amount determined in accordance with an alternative methodology that includes improved health outcomes as a factor in determining the payment rate~~;~~.

(4) Require, to the extent the director considers necessary, a medicaid recipient to obtain prior authorization for admission to a long-term acute care hospital or rehabilitation hospital as a condition of medicaid payment for long-term acute care hospital or rehabilitation hospital services.

(B) The criteria established under division (A)(1) of this section shall provide for a discrete unit of a nursing facility to be excluded from the alternative purchasing model if the unit is paid for nursing facility services in accordance with section 5165.153, 5165.154, or 5165.156 of the Revised Code. The criteria may require the provider of a nursing facility that has a discrete unit designated for participation in the alternative purchasing model to report health outcome measurement data to the department of medicaid.

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(C) A discrete unit of a nursing facility that provides nursing facility services to medicaid recipients with specialized health care needs under the alternative purchasing model shall be paid for those services in accordance with division (A)(3) of this section instead of the total per medicaid day payment rate determined under section 5165.15, 5165.153, 5165.154, or 5165.156 of the Revised Code.

Sec. 5165.16. (A) ~~As used in this section:~~

~~(1) "Applicable calendar year" means the following:~~

~~(a) For the purpose of the department of medicaid's initial determination under division (D) of this section of each peer group's rate for ancillary and support costs, calendar year 2003;~~

~~(b) For the purpose of the department's rebasings, the calendar year the department selects.~~

~~(2) "Rebasing" means a redetermination under division (D) of this section of each peer group's rate for ancillary and support costs using information from cost reports for an applicable calendar year that is later than the applicable calendar year used for the previous determination of such rates.~~

~~(B)~~ The department of medicaid shall determine each nursing facility's per medicaid day payment rate for ancillary and support costs. A nursing facility's rate shall be the rate determined under division ~~(D)~~(C) of this section for the nursing facility's peer group. ~~However, for the period beginning October 1, 2013, and ending on the first day of the first rebasing, the rate for a nursing facility located in Mahoning or Stark county shall be the rate determined for the following:~~

~~(1) If the nursing facility has fewer than one hundred beds, the nursing facilities in peer group three;~~

~~(2) If the nursing facility has one hundred or more beds, the nursing facilities in peer group four.~~

~~(C)~~(B) For the purpose of determining nursing facilities' rates for ancillary and support costs, the department shall establish six peer groups.

~~(1) Until the first rebasing occurs, the peer groups shall be~~ composed as follows:

~~(a)~~(1) Each nursing facility located in any of the following counties shall be placed in peer group one or two: Brown, Butler, Clermont, Clinton, Hamilton, and Warren. Each nursing facility located in any of those counties that has fewer than one hundred beds shall be placed in peer group one. Each nursing facility located in any of those counties that has one hundred or more beds shall be placed in peer group two.

~~(b)~~(2) Each nursing facility located in any of the following counties

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shall be placed in peer group three or four: Allen, Ashtabula, Champaign, Clark, Cuyahoga, Darke, Delaware, Fairfield, Fayette, Franklin, Fulton, Geauga, Greene, Hancock, Knox, Lake, Licking, Lorain, Lucas, Madison, Mahoning, Marion, Medina, Miami, Montgomery, Morrow, Ottawa, Pickaway, Portage, Preble, Ross, Sandusky, Seneca, Stark, Summit, Trumbull, Union, and Wood. Each nursing facility located in any of those counties that has fewer than one hundred beds shall be placed in peer group three. Each nursing facility located in any of those counties that has one hundred or more beds shall be placed in peer group four.

~~(c)~~(3) Each nursing facility located in any of the following counties shall be placed in peer group five or six: Adams, ~~Allen,~~ Ashland, Athens, Auglaize, Belmont, Carroll, Columbiana, Coshocton, Crawford, Defiance, Erie, Gallia, Guernsey, Hardin, Harrison, Henry, Highland, Hocking, Holmes, Huron, Jackson, Jefferson, Lawrence, Logan, ~~Mahoning,~~ Meigs, Mercer, Monroe, Morgan, Muskingum, Noble, Paulding, Perry, Pike, Putnam, Richland, Scioto, Shelby, ~~Stark, Trumbull,~~ Tuscarawas, Van Wert, Vinton, Washington, Wayne, Williams, and Wyandot. Each nursing facility located in any of those counties that has fewer than one hundred beds shall be placed in peer group five. Each nursing facility located in any of those counties that has one hundred or more beds shall be placed in peer group six.

~~(2) Beginning with the first rebasing, the peer groups shall be composed as they are under division (C)(1) of this section except as follows:~~

~~(a) Each nursing facility that has fewer than one hundred beds and is located in Allen, Mahoning, Stark, or Trumbull county shall be placed in peer group three rather than peer group five.~~

~~(b) Each nursing facility that has one hundred or more beds and is located in Allen, Mahoning, Stark, or Trumbull county shall be placed in peer group four rather than peer group six.~~

~~(D)~~(C)(1) The department shall determine the rate for ancillary and support costs for each peer group established under division ~~(C)~~(B) of this section. The ~~department is not required to conduct a rebasing more than once every ten years. Except as necessary to implement the amendments made to this section by Am. Sub. H.B. 153 and Sub. H.B. 303, both of the 129th general assembly, the~~ rate for ancillary and support costs determined under this division for a peer group shall be used for subsequent years until the department conducts a rebasing. To determine a peer group's rate for ancillary and support costs, the department shall do all of the following:

(a) Subject to division ~~(D)~~(C)(2) of this section, determine the rate for ancillary and support costs for each nursing facility in the peer group for the

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applicable calendar year by using the greater of the nursing facility's actual inpatient days for the applicable calendar year or the inpatient days the nursing facility would have had for the applicable calendar year if its occupancy rate had been ninety per cent;

(b) Subject to division ~~(D)~~(C)(3) of this section, identify which nursing facility in the peer group is at the twenty-fifth percentile of the rate for ancillary and support costs for the applicable calendar year determined under division ~~(D)~~(C)(1)(a) of this section;

(c) Multiply the rate for ancillary and support costs determined under division ~~(D)~~(C)(1)(a) of this section for the nursing facility identified under division ~~(D)~~(C)(1)(b) of this section by the rate of inflation for the eighteen-month period beginning on the first day of July of the applicable calendar year and ending the last day of December of the calendar year immediately following the applicable calendar year using the following:

(i) ~~Until the first rebasing occurs, the consumer price index for all items for all urban consumers for the north central region, published by the United States bureau of labor statistics, as that index existed on July 1, 2005;~~

~~(ii) Effective with the first rebasing and except~~ Except as provided in division ~~(D)~~(C)(1)(c)~~(iii)~~(ii) of this section, the consumer price index for all items for all urban consumers for the midwest region, published by the United States bureau of labor statistics;

~~(iii)~~(ii) If the United States bureau of labor statistics ceases to publish the index specified in division ~~(D)~~(C)(1)(c)~~(ii)~~(i) of this section, the index the bureau subsequently publishes that covers urban consumers' prices for items for the region that includes this state.

(d) ~~Until the first rebasing occurs, increase~~ For state fiscal year 2020 and each state fiscal year thereafter (other than the first state fiscal year in a group of consecutive state fiscal years for which a rebasing is conducted), adjust the amount calculated under division ~~(D)~~(C)(1)(c) of this section ~~by five and eight hundredths per cent~~ using the difference between the following:

(i) The medicare skilled nursing facility market basket index determined for the federal fiscal year that begins during the state fiscal year immediately preceding the state fiscal year for which the adjustment is being made under division (C)(1)(d) of this section;

(ii) The budget reduction adjustment factor for the state fiscal year for which the adjustment is being made under division (C)(1)(d) of this section.

(2) For the purpose of determining a nursing facility's occupancy rate under division ~~(D)~~(C)(1)(a) of this section, the department shall include any beds that the nursing facility removes from its medicaid-certified capacity

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unless the nursing facility also removes the beds from its licensed bed capacity.

(3) In making the identification under division ~~(D)~~(C)(1)(b) of this section, the department shall exclude both of the following:

(a) Nursing facilities that participated in the medicaid program under the same provider for less than twelve months in the applicable calendar year;

(b) Nursing facilities whose ancillary and support costs are more than one standard deviation from the mean desk-reviewed, actual, allowable, per diem ancillary and support cost for all nursing facilities in the nursing facility's peer group for the applicable calendar year.

(4) The department shall not redetermine a peer group's rate for ancillary and support costs under this division based on additional information that it receives after the rate is determined. The department shall redetermine a peer group's rate for ancillary and support costs only if the department made an error in determining the rate based on information available to the department at the time of the original determination.

Sec. 5165.17. (A) ~~As used in this section:~~

~~(1) "Applicable calendar year" means the following:~~

~~(a) For the purpose of the department of medicaid's initial determination under division (D) of this section of each peer group's rate for capital costs, calendar year 2003;~~

~~(b) For the purpose of the department's rebasings, the calendar year the department selects.~~

~~(2) "Rebasing" means a redetermination under division (D) of this section of each peer group's rate for capital costs using information from cost reports for an applicable calendar year that is later than the applicable calendar year used for the previous determination of such rates.~~

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~~(B)~~ The department of medicaid shall determine each nursing facility's per medicaid day payment rate for capital costs. A nursing facility's rate shall be the rate determined under division ~~(D)~~(C) of this section. ~~However, for the period beginning October 1, 2013, and ending on the first day of the first rebasing, the rate for a nursing facility located in Mahoning or Stark county shall be the rate determined for the following:~~

~~(1) If the nursing facility has fewer than one hundred beds, the nursing facilities in peer group three;~~

~~(2) If the nursing facility has one hundred or more beds, the nursing facilities in peer group four.~~

~~(C)~~(B) For the purpose of determining nursing facilities' rates for capital costs, the department shall establish six peer groups.

(1) ~~Until the first rebasing occurs, the peer groups shall be composed as~~

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~~follows:~~

~~(a)~~ Each nursing facility located in any of the following counties shall be placed in peer group one or two: Brown, Butler, Clermont, Clinton, Hamilton, and Warren. Each nursing facility located in any of those counties that has fewer than one hundred beds shall be placed in peer group one. Each nursing facility located in any of those counties that has one hundred or more beds shall be placed in peer group two.

~~(b)~~(2) Each nursing facility located in any of the following counties shall be placed in peer group three or four: Allen, Ashtabula, Champaign, Clark, Cuyahoga, Darke, Delaware, Fairfield, Fayette, Franklin, Fulton, Geauga, Greene, Hancock, Knox, Lake, Licking, Lorain, Lucas, Madison, Mahoning, Marion, Medina, Miami, Montgomery, Morrow, Ottawa, Pickaway, Portage, Preble, Ross, Sandusky, Seneca, Stark, Summit, Trumbull, Union, and Wood. Each nursing facility located in any of those counties that has fewer than one hundred beds shall be placed in peer group three. Each nursing facility located in any of those counties that has one hundred or more beds shall be placed in peer group four.

~~(c)~~(3) Each nursing facility located in any of the following counties shall be placed in peer group five or six: Adams, ~~Allen,~~ Ashland, Athens, Auglaize, Belmont, Carroll, Columbiana, Coshocton, Crawford, Defiance, Erie, Gallia, Guernsey, Hardin, Harrison, Henry, Highland, Hocking, Holmes, Huron, Jackson, Jefferson, Lawrence, Logan, ~~Mahoning,~~ Meigs, Mercer, Monroe, Morgan, Muskingum, Noble, Paulding, Perry, Pike, Putnam, Richland, Scioto, Shelby, ~~Stark, Trumbull,~~ Tuscarawas, Van Wert, Vinton, Washington, Wayne, Williams, and Wyandot. Each nursing facility located in any of those counties that has fewer than one hundred beds shall be placed in peer group five. Each nursing facility located in any of those counties that has one hundred or more beds shall be placed in peer group six.

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~~(2) Beginning with the first rebasing, the peer groups shall be composed as they are under division (C)(1) of this section except as follows:~~

~~(a) Each nursing facility that has fewer than one hundred beds and is located in Allen, Mahoning, Stark, or Trumbull county shall be placed in peer group three rather than peer group five.~~

~~(b) Each nursing facility that has one hundred or more beds and is located in Allen, Mahoning, Stark, or Trumbull county shall be placed in peer group four rather than peer group six.~~

~~(D)~~(C)(1) The department shall determine the rate for capital costs for each peer group established under division ~~(C)~~(B) of this section. The ~~department is not required to conduct a rebasing more than once every ten~~

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~~years. Except as necessary to implement the amendments made to this section by Am. Sub. H.B. 153 and Sub. H.B. 303, both of the 129th general assembly, the~~ rate for capital costs determined under this division for a peer group shall be used for subsequent years until the department conducts a rebasing. To determine a peer group's rate for capital costs, the department shall do both of the following:

(a) Determine the rate for capital costs for the nursing facility in the peer group that is at the twenty-fifth percentile of the rate for capital costs for the applicable calendar year;

(b) ~~Until the first rebasing occurs, increase~~ For state fiscal year 2020 and each state fiscal year thereafter (other than the first state fiscal year in a group of consecutive state fiscal years for which a rebasing is conducted), adjust the amount calculated under division ~~(D)~~(C)(1)(a) of this section ~~by five and eight hundredths per cent~~ using the difference between the following:

(i) The medicare skilled nursing facility market basket index determined for the federal fiscal year that begins during the state fiscal year immediately preceding the state fiscal year for which the adjustment is being made under division (C)(1)(a) of this section;

(ii) The budget reduction adjustment factor for the state fiscal year for which the adjustment is being made under division (C)(1)(a) of this section.

(2) To identify the nursing facility in a peer group that is at the twenty-fifth percentile of the rate for capital costs for the applicable calendar year, the department shall do both of the following:

(a) Subject to division ~~(D)~~(C)(3) of this section, use the greater of each nursing facility's actual inpatient days for the applicable calendar year or the inpatient days the nursing facility would have had for the applicable calendar year if its occupancy rate had been one hundred per cent;

(b) Exclude both of the following:

(i) Nursing facilities that participated in the medicaid program under the same provider for less than twelve months in the applicable calendar year;

(ii) Nursing facilities whose capital costs are more than one standard deviation from the mean desk-reviewed, actual, allowable, per diem capital cost for all nursing facilities in the nursing facility's peer group for the applicable calendar year.

(3) For the purpose of determining a nursing facility's occupancy rate under division ~~(D)~~(C)(2)(a) of this section, the department shall include any beds that the nursing facility removes from its medicaid-certified capacity after June 30, 2005, unless the nursing facility also removes the beds from its licensed bed capacity.

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(4) The department shall not redetermine a peer group's rate for capital costs under this division based on additional information that it receives after the rate is determined. The department shall redetermine a peer group's rate for capital costs only if the department made an error in determining the rate based on information available to the department at the time of the original determination.

~~(E)~~(D) Buildings shall be depreciated using the straight line method over forty years or over a different period approved by the department. Components and equipment shall be depreciated using the straight-line method over a period designated in rules adopted under section 5165.02 of the Revised Code, consistent with the guidelines of the American hospital association, or over a different period approved by the department. Any rules authorized by this division that specify useful lives of buildings, components, or equipment apply only to assets acquired on or after July 1, 1993. Depreciation for costs paid or reimbursed by any government agency shall not be included in capital costs unless that part of the payment under this chapter is used to reimburse the government agency.

~~(F)~~(E) The capital cost basis of nursing facility assets shall be determined in the following manner:

(1) Except as provided in division ~~(F)~~(E)(3) of this section, for purposes of calculating the rates to be paid for facilities with dates of licensure on or before June 30, 1993, the capital cost basis of each asset shall be equal to the desk-reviewed, actual, allowable, capital cost basis that is listed on the facility's cost report for the calendar year preceding the state fiscal year during which the rate will be paid.

(2) For facilities with dates of licensure after June 30, 1993, the capital cost basis shall be determined in accordance with the principles of the medicare program, except as otherwise provided in this chapter.

(3) Except as provided in division ~~(F)~~(E)(4) of this section, if a provider transfers an interest in a facility to another provider after June 30, 1993, there shall be no increase in the capital cost basis of the asset if the providers are related parties or the provider to which the interest is transferred authorizes the provider that transferred the interest to continue to operate the facility under a lease, management agreement, or other arrangement. If the previous sentence does not prohibit the adjustment of the capital cost basis under this division, the basis of the asset shall be adjusted by one-half of the change in the consumer price index for all items for all urban consumers, as published by the United States bureau of labor statistics, during the time that the transferor held the asset.

(4) If a provider transfers an interest in a facility to another provider

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who is a related party, the capital cost basis of the asset shall be adjusted as specified in division ~~(F)~~(E)(3) of this section if all of the following conditions are met:

(a) The related party is a relative of owner;

(b) Except as provided in division ~~(F)~~(E)(4)(c)(ii) of this section, the provider making the transfer retains no ownership interest in the facility;

(c) The department determines that the transfer is an arm's length transaction pursuant to rules adopted under section 5165.02 of the Revised Code. The rules shall provide that a transfer is an arm's length transaction if all of the following apply:

(i) Once the transfer goes into effect, the provider that made the transfer has no direct or indirect interest in the provider that acquires the facility or the facility itself, including interest as an owner, officer, director, employee, independent contractor, or consultant, but excluding interest as a creditor.

(ii) The provider that made the transfer does not reacquire an interest in the facility except through the exercise of a creditor's rights in the event of a default. If the provider reacquires an interest in the facility in this manner, the department shall treat the facility as if the transfer never occurred when the department calculates its reimbursement rates for capital costs.

(iii) The transfer satisfies any other criteria specified in the rules.

(d) Except in the case of hardship caused by a catastrophic event, as determined by the department, or in the case of a provider making the transfer who is at least sixty-five years of age, not less than twenty years have elapsed since, for the same facility, the capital cost basis was adjusted most recently under division ~~(F)~~(E)(4) of this section or actual, allowable capital costs was determined most recently under division ~~(G)~~(F)(9) of this section.

~~(G)~~(F) As used in this division:

"Imputed interest" means the lesser of the prime rate plus two per cent or ten per cent.

"Lease expense" means lease payments in the case of an operating lease and depreciation expense and interest expense in the case of a capital lease.

"New lease" means a lease, to a different lessee, of a nursing facility that previously was operated under a lease.

(1) Subject to division ~~(B)~~(A) of this section, for a lease of a facility that was effective on May 27, 1992, the entire lease expense is an actual, allowable capital cost during the term of the existing lease. The entire lease expense also is an actual, allowable capital cost if a lease in existence on May 27, 1992, is renewed under either of the following circumstances:

(a) The renewal is pursuant to a renewal option that was in existence on

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May 27, 1992;

(b) The renewal is for the same lease payment amount and between the same parties as the lease in existence on May 27, 1992.

(2) Subject to division ~~(B)~~(A) of this section, for a lease of a facility that was in existence but not operated under a lease on May 27, 1992, actual, allowable capital costs shall include the lesser of the annual lease expense or the annual depreciation expense and imputed interest expense that would be calculated at the inception of the lease using the lessor's entire historical capital asset cost basis, adjusted by one-half of the change in the consumer price index for all items for all urban consumers, as published by the United States bureau of labor statistics, during the time the lessor held each asset until the beginning of the lease.

(3) Subject to division ~~(B)~~(A) of this section, for a lease of a facility with a date of licensure on or after May 27, 1992, that is initially operated under a lease, actual, allowable capital costs shall include the annual lease expense if there was a substantial commitment of money for construction of the facility after December 22, 1992, and before July 1, 1993. If there was not a substantial commitment of money after December 22, 1992, and before July 1, 1993, actual, allowable capital costs shall include the lesser of the annual lease expense or the sum of the following:

(a) The annual depreciation expense that would be calculated at the inception of the lease using the lessor's entire historical capital asset cost basis;

(b) The greater of the lessor's actual annual amortization of financing costs and interest expense at the inception of the lease or the imputed interest expense calculated at the inception of the lease using seventy per cent of the lessor's historical capital asset cost basis.

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(4) Subject to division ~~(B)~~(A) of this section, for a lease of a facility with a date of licensure on or after May 27, 1992, that was not initially operated under a lease and has been in existence for ten years, actual, allowable capital costs shall include the lesser of the annual lease expense or the annual depreciation expense and imputed interest expense that would be calculated at the inception of the lease using the entire historical capital asset cost basis of one-half of the change in the consumer price index for all items for all urban consumers, as published by the United States bureau of labor statistics, during the time the lessor held each asset until the beginning of the lease.

(5) Subject to division ~~(B)~~(A) of this section, for a new lease of a facility that was operated under a lease on May 27, 1992, actual, allowable capital costs shall include the lesser of the annual new lease expense or the

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annual old lease payment. If the old lease was in effect for ten years or longer, the old lease payment from the beginning of the old lease shall be adjusted by one-half of the change in the consumer price index for all items for all urban consumers, as published by the United States bureau of labor statistics, from the beginning of the old lease to the beginning of the new lease.

(6) Subject to division ~~(B)~~(A) of this section, for a new lease of a facility that was not in existence or that was in existence but not operated under a lease on May 27, 1992, actual, allowable capital costs shall include the lesser of annual new lease expense or the annual amount calculated for the old lease under division ~~(G)~~(F)(2), (3), (4), or (6) of this section, as applicable. If the old lease was in effect for ten years or longer, the lessor's historical capital asset cost basis shall be, for purposes of calculating the annual amount under division ~~(G)~~(F)(2), (3), (4), or (6) of this section, adjusted by one-half of the change in the consumer price index for all items for all urban consumers, as published by the United States bureau of labor statistics, from the beginning of the old lease to the beginning of the new lease.

In the case of a lease under division ~~(G)~~(F)(3) of this section of a facility for which a substantial commitment of money was made after December 22, 1992, and before July 1, 1993, the old lease payment shall be adjusted for the purpose of determining the annual amount.

(7) For any revision of a lease described in division ~~(G)~~(F)(1), (2), (3), (4), (5), or (6) of this section, or for any subsequent lease of a facility operated under such a lease, other than execution of a new lease, the portion of actual, allowable capital costs attributable to the lease shall be the same as before the revision or subsequent lease.

(8) Except as provided in division ~~(G)~~(F)(9) of this section, if a provider leases an interest in a facility to another provider who is a related party or previously operated the facility, the related party's or previous operator's actual, allowable capital costs shall include the lesser of the annual lease expense or the reasonable cost to the lessor.

(9) If a provider leases an interest in a facility to another provider who is a related party, regardless of the date of the lease, the related party's actual, allowable capital costs shall include the annual lease expense, subject to the limitations specified in divisions ~~(G)~~(F)(1) to (7) of this section, if all of the following conditions are met:

(a) The related party is a relative of owner;

(b) If the lessor retains an ownership interest, it is, except as provided in division ~~(G)~~(F)(9)(c)(ii) of this section, in only the real property and any

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improvements on the real property;

(c) The department determines that the lease is an arm's length transaction pursuant to rules adopted under section 5165.02 of the Revised Code. The rules shall provide that a lease is an arm's length transaction if all of the following apply:

(i) Once the lease goes into effect, the lessor has no direct or indirect interest in the lessee or, except as provided in division ~~(G)~~(F)(9)(b) of this section, the facility itself, including interest as an owner, officer, director, employee, independent contractor, or consultant, but excluding interest as a lessor.

(ii) The lessor does not reacquire an interest in the facility except through the exercise of a lessor's rights in the event of a default. If the lessor reacquires an interest in the facility in this manner, the department shall treat the facility as if the lease never occurred when the department calculates its reimbursement rates for capital costs.

(iii) The lease satisfies any other criteria specified in the rules.

(d) Except in the case of hardship caused by a catastrophic event, as determined by the department, or in the case of a lessor who is at least sixty-five years of age, not less than twenty years have elapsed since, for the same facility, the capital cost basis was adjusted most recently under division ~~(F)~~(E)(4) of this section or actual, allowable capital costs were determined most recently under division ~~(G)~~(F)(9) of this section.

(10) This division does not apply to leases of specific items of equipment.

Sec. 5165.19. (A) ~~As used in this section:~~

~~(1) "Applicable calendar year" means the following:~~

~~(a) For the purpose of the department of medicaid's initial determination under division (D) of this section of each peer group's cost per case-mix unit, calendar year 2003;~~

~~(b) For the purpose of the department's rebasings, the calendar year the department selects.~~

~~(2) "Rebasing" means a redetermination under division (D) of this section of each peer group's cost per case-mix unit using information from cost reports for an applicable calendar year that is later than the applicable calendar year used for the previous determination of such costs.~~

~~(B)~~ Semiannually, the department of medicaid shall determine each nursing facility's per medicaid day payment rate for direct care costs by multiplying the facility's semiannual case-mix score determined under section 5165.192 of the Revised Code by the cost per case-mix unit determined under division ~~(D)~~(C) of this section for the facility's peer group.

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~~However, for the period beginning October 1, 2013, and ending on the first day of the first rebasing, the rate for a nursing facility located in Mahoning or Stark county shall be determined semiannually by multiplying the facility's semiannual case-mix score determined under section 5165.192 of the Revised Code by the cost per case-mix unit determined under division (D) of this section for the nursing facilities in peer group two.~~

~~(C)~~(B) For the purpose of determining nursing facilities' rates for direct care costs, the department shall establish three peer groups.

(1) ~~Until the first rebasing occurs, the peer groups shall be composed as follows:~~

~~(a)~~ Each nursing facility located in any of the following counties shall be placed in peer group one: Brown, Butler, Clermont, Clinton, Hamilton, and Warren.

~~(b)~~(2) Each nursing facility located in any of the following counties shall be placed in peer group two: Allen, Ashtabula, Champaign, Clark, Cuyahoga, Darke, Delaware, Fairfield, Fayette, Franklin, Fulton, Geauga, Greene, Hancock, Knox, Lake, Licking, Lorain, Lucas, Madison, Mahoning, Marion, Medina, Miami, Montgomery, Morrow, Ottawa, Pickaway, Portage, Preble, Ross, Sandusky, Seneca, Stark, Summit, Trumbull, Union, and Wood.

~~(c)~~(3) Each nursing facility located in any of the following counties shall be placed in peer group three: Adams, ~~Allen,~~ Ashland, Athens, Auglaize, Belmont, Carroll, Columbiana, Coshocton, Crawford, Defiance, Erie, Gallia, Guernsey, Hardin, Harrison, Henry, Highland, Hocking, Holmes, Huron, Jackson, Jefferson, Lawrence, Logan, ~~Mahoning,~~ Meigs, Mercer, Monroe, Morgan, Muskingum, Noble, Paulding, Perry, Pike, Putnam, Richland, Scioto, Shelby, ~~Stark, Trumbull,~~ Tuscarawas, Van Wert, Vinton, Washington, Wayne, Williams, and Wyandot.

~~(2) Beginning with the first rebasing, the peer groups shall be composed as they are under division (C)(1) of this section except that each nursing facility located in Allen, Mahoning, Stark, or Trumbull county shall be placed in peer group two rather than peer group three.~~

~~(D)~~(C)(1) The department shall determine a cost per case-mix unit for each peer group established under division ~~(C)~~(B) of this section. The ~~department is not required to conduct a rebasing more than once every ten years. Except as necessary to implement the amendments made to this section by Am. Sub. H.B. 153 and Sub. H.B. 303, both of the 129th general assembly, and H.B. 59 of the 130th general assembly, the~~ cost per case-mix unit determined under this division for a peer group shall be used for subsequent years until the department conducts a rebasing. To determine a

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peer group's cost per case-mix unit, the department shall do all of the following:

(a) Determine the cost per case-mix unit for each nursing facility in the peer group for the applicable calendar year by dividing each facility's desk-reviewed, actual, allowable, per diem direct care costs for the applicable calendar year by the facility's annual average case-mix score determined under section 5165.192 of the Revised Code for the applicable calendar year;

(b) Subject to division ~~(D)~~(C)(2) of this section, identify which nursing facility in the peer group is at the twenty-fifth percentile of the cost per case-mix units determined under division ~~(D)~~(C)(1)(a) of this section;

(c) Calculate the amount that is two per cent above the cost per case-mix unit determined under division ~~(D)~~(C)(1)(a) of this section for the nursing facility identified under division ~~(D)~~(C)(1)(b) of this section;

(d) Using the index specified in division ~~(D)~~(C)(3) of this section, multiply the rate of inflation for the eighteen-month period beginning on the first day of July of the applicable calendar year and ending the last day of December of the calendar year immediately following the applicable calendar year by the amount calculated under division ~~(D)~~(C)(1)(c) of this section;

(e) ~~Add the following to the amount calculated under division (D)(1)(d) of this section:~~

~~(i) Until the earlier of January 1, 2014, or when the first rebasing occurs, one dollar and eighty-eight cents;~~

~~(ii) Unless the first rebasing occurs before January 1, 2014, beginning January 1, 2014, and until the first rebasing occurs, eighty-six cents.~~

~~(f) Until the first rebasing occurs, increase~~ For state fiscal year 2020 and each state fiscal year thereafter (other than the first state fiscal year in a group of consecutive state fiscal years for which a rebasing is conducted), adjust the amount calculated under division ~~(D)~~(C)(1)~~(e)~~(d) of this section ~~by five and eight hundredths per cent~~ using the difference between the following:

(i) The medicare skilled nursing facility market basket index determined for the federal fiscal year that begins during the state fiscal year immediately preceding the state fiscal year for which the adjustment is being made under division (C)(1)(e) of this section;

(ii) The budget reduction adjustment factor for the state fiscal year for which the adjustment is being made under division (C)(1)(e) of this section.

(2) In making the identification under division ~~(D)~~(C)(1)(b) of this section, the department shall exclude both of the following:

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(a) Nursing facilities that participated in the medicaid program under the same provider for less than twelve months in the applicable calendar year;

(b) Nursing facilities whose cost per case-mix unit is more than one standard deviation from the mean cost per case-mix unit for all nursing facilities in the nursing facility's peer group for the applicable calendar year.

(3) The following index shall be used for the purpose of the calculation made under division ~~(D)~~(C)(1)(d) of this section:

(a) ~~Until the first rebasing occurs, the employment cost index for total compensation, health services component, published by the United States bureau of labor statistics, as the index existed on July 1, 2005;~~

~~(b) Effective with the first rebasing and except~~ Except as provided in division ~~(D)~~(C)(3)~~(c)~~(b) of this section, the employment cost index for total compensation, nursing and residential care facilities occupational group, published by the United States bureau of labor statistics;

~~(c)~~(b) If the United States bureau of labor statistics ceases to publish the index specified in division ~~(D)~~(C)(3)~~(b)~~(a) of this section, the index the bureau subsequently publishes that covers nursing facilities' staff costs.

(4) The department shall not redetermine a peer group's cost per case-mix unit under this division based on additional information that it receives after the peer group's per case-mix unit is determined. The department shall redetermine a peer group's cost per case-mix unit only if it made an error in determining the peer group's cost per case-mix unit based on information available to the department at the time of the original determination.

Sec. 5165.192. (A)(1) Except as provided in division (B) of this section and in accordance with the process specified in rules authorized by this section, the department of medicaid shall do all of the following:

(a) Every quarter, determine the following two case-mix scores for each nursing facility:

(i) A quarterly case-mix score that includes each resident who is a medicaid recipient and is not a low resource utilization resident;

(ii) A quarterly case-mix score that includes each resident regardless of payment source.

(b) Every six months, determine a semiannual average case-mix score for each nursing facility by using the quarterly case-mix scores determined for the nursing facility pursuant to division (A)(1)(a)(i) of this section;

(c) After the end of each calendar year, determine an annual average case-mix score for each nursing facility by using the quarterly case-mix scores determined for the nursing facility pursuant to division (A)(1)(a)(ii) of this section.

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(2) When determining case-mix scores under division (A)(1) of this section, the department shall use all of the following:

(a) Data from a resident assessment instrument specified in rules authorized by section 5165.191 of the Revised Code;

(b) Except as provided in rules authorized by this section, the case-mix values established by the United States department of health and human services;

(c) Except as modified in rules authorized by this section, the grouper methodology used on June 30, 1999, by the United States department of health and human services for prospective payment of skilled nursing facilities under the medicare program.

(B)(1) Subject to division (B)(2) of this section, the department, for one or more months of a calendar quarter, may assign to a nursing facility a case-mix score that is five per cent less than the nursing facility's case-mix score for the immediately preceding calendar quarter if any of the following apply:

(a) The provider does not timely submit complete and accurate resident assessment data necessary to determine the nursing facility's case-mix score for the calendar quarter;

(b) The nursing facility was subject to an exception review under section 5165.193 of the Revised Code for the immediately preceding calendar quarter;

(c) The nursing facility was assigned a case-mix score for the immediately preceding calendar quarter.

(2) Before assigning a case-mix score to a nursing facility due to the submission of incorrect resident assessment data, the department shall permit the provider to correct the data. The department may assign the case-mix score if the provider fails to submit the corrected resident assessment data not later than the earlier of the forty-fifth day after the end of the calendar quarter to which the data pertains or the deadline for submission of such corrections established by regulations adopted by the United States department of health and human services under Title XVIII and Title XIX.

(3) If, for more than six months in a calendar year, a provider is paid a rate determined for a nursing facility using a case-mix score assigned to the nursing facility under division (B)(1) of this section, the department may assign the nursing facility a cost per case-mix unit that is five per cent less than the nursing facility's actual or assigned cost per case-mix unit for the immediately preceding calendar year. The department may use the assigned cost per case-mix unit, instead of determining the nursing facility's actual

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cost per case-mix unit in accordance with section 5165.19 of the Revised Code, to establish the nursing facility's rate for direct care costs for the fiscal year immediately following the calendar year for which the cost per case-mix unit is assigned.

(4) The department shall take action under division (B)(1), (2), or (3) of this section only in accordance with rules authorized by this section. The department shall not take an action that affects rates for prior payment periods except in accordance with sections 5165.41 and 5165.42 of the Revised Code.

(C) The medicaid director shall adopt rules under section 5165.02 of the Revised Code as necessary to implement this section.

(1) The rules shall do all of the following:

(a) Specify the process for determining the semiannual and annual average case-mix scores for nursing facilities;

(b) Adjust the case-mix values specified in division (A)(2)(b) of this section to reflect changes in relative wage differentials that are specific to this state;

(c) Express all of those case-mix values in numeric terms that are different from the terms specified by the United States department of health and human services but that do not alter the relationship of the case-mix values to one another;

(d) Modify the grouper methodology specified in division (A)(2)(c) of this section as follows:

(i) Establish a different hierarchy for assigning residents to case-mix categories under the methodology;

(ii) ~~Prohibit~~ Allow the use of the index maximizer element of the methodology;

(iii) Incorporate changes to the methodology the United States department of health and human services makes after June 30, 1999;

(iv) Make other changes the department determines are necessary.

(e) Establish procedures under which resident assessment data shall be reviewed for accuracy and providers shall be notified of any data that requires correction;

(f) Establish procedures for providers to correct resident assessment data and specify a reasonable period of time by which providers shall submit the corrections. The procedures may limit the content of corrections in the manner required by regulations adopted by the United States department of health and human services under Title XVIII and Title XIX.

(g) Specify when and how the department will assign case-mix scores or costs per case-mix unit to a nursing facility under division (B) of this section

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if information necessary to calculate the nursing facility's case-mix score is not provided or corrected in accordance with the procedures established by the rules.

(2) Notwithstanding any other provision of this chapter, the rules may provide for the exclusion of case-mix scores assigned to a nursing facility under division (B) of this section from the determination of the nursing facility's semiannual or annual average case-mix score and the cost per case-mix unit for the nursing facility's peer group.

Sec. 5165.21. ~~(A) As used in this section:~~

~~(1) "Applicable calendar year" means the following:~~

~~(a) For the purpose of the department of medicaid's initial determination under this section of nursing facilities' rate for tax costs, calendar year 2003;~~

~~(b) For the purpose of the department's rebasings, the calendar year the department selects.~~

~~(2) "Rebasing" means a redetermination under division (B) of this section of each nursing facility's rate for tax costs using information from cost reports for an applicable calendar year that is later than the applicable calendar year used for the previous determination of such rates.~~

~~(B)~~ The department of medicaid shall determine each nursing facility's per medicaid day payment rate for tax costs. The ~~department is not required to conduct a rebasing more than once every ten years. Except as necessary to implement the amendments made to this section by Sub. H.B. 303 of the 129th general assembly, the~~ rate for tax costs determined under this division for a nursing facility shall be used for subsequent years until the department conducts a rebasing. To determine a nursing facility's rate for tax costs ~~and except as provided in division (C) of this section~~, the department shall do both of the following:

~~(1)~~(A) Divide the nursing facility's desk-reviewed, actual, allowable tax costs paid for the applicable calendar year by the number of inpatient days the nursing facility would have had if its occupancy rate had been one hundred per cent during the applicable calendar year;

~~(2) Until the first rebasing occurs, increase~~ (B) For state fiscal year 2020 and each state fiscal year thereafter (other than the first state fiscal year in a group of consecutive state fiscal years for which a rebasing is conducted), adjust the amount calculated under division ~~(B)(1)~~(A) of this section ~~by five and eight hundredths per cent~~ using the difference between the following:

(1) The medicare skilled nursing facility market basket index determined for the federal fiscal year that begins during the state fiscal year immediately preceding the state fiscal year for which the adjustment is being made under division (B) of this section;

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(2) The budget reduction adjustment factor for the state fiscal year for which the adjustment is being made under division (B) of this section.

~~(C) If a nursing facility had a credit regarding its real estate taxes reflected on its cost report for calendar year 2003, the department shall determine, as follows, its rate for tax costs for the period beginning on July 1, 2010, and ending on the first day of the fiscal year for which the department first conducts a rebasing:~~

~~(1) Divide the nursing facility's desk reviewed, actual, allowable tax costs paid for calendar year 2004 by the number of inpatient days the nursing facility would have had if its occupancy rate had been one hundred per cent during calendar year 2004;~~

~~(2) Until the first rebasing occurs, increase the amount calculated under division (C)(1) of this section by five and eight hundredths per cent.~~

Sec. 5165.23. (A) Each state fiscal year, the department of medicaid shall determine the critical access incentive payment for each nursing facility that qualifies as a critical access nursing facility. To qualify as a critical access nursing facility for a state fiscal year, a nursing facility must meet all of the following requirements:

(1) The nursing facility must be located in an area that, on December 31, 2011, was designated an empowerment zone under the "Internal Revenue Code of 1986," section 1391, 26 U.S.C. 1391.

(2) The nursing facility must have an occupancy rate of at least eighty-five per cent as of the last day of the calendar year immediately preceding the state fiscal year.

(3) The nursing facility must have a medicaid utilization rate of at least sixty-five per cent as of the last day of the calendar year immediately preceding the state fiscal year.

~~(4) The nursing facility must have been awarded at least five points for meeting accountability measures under section 5165.25 of the Revised Code for the fiscal year and at least one of the five points must have been awarded for meeting the accountability measures identified in divisions (C)(9), (10), (11), (12), and (14) of section 5165.25 of the Revised Code.~~

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(B) A critical access nursing facility's critical access incentive payment for a state fiscal year shall equal five per cent of the portion of the nursing facility's total per medicaid day payment rate for the state fiscal year that is the sum of the rates ~~and payment~~ identified in divisions (A)(1) to (4) ~~and (6)~~ of section 5165.15 of the Revised Code.

Sec. 5165.25. (A) As used in this section:

(1) "Long-stay resident" means an individual who has resided in a nursing facility for at least one hundred one days.

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(2) "Measurement period" means the following:

(a) For state fiscal year 2017, the period beginning July 1, 2015, and ending December 31, 2015;

(b) For each subsequent state fiscal year, the calendar year immediately preceding the calendar year in which the state fiscal year begins.

(3) "Nurse aide" has the same meaning as in section 3721.21 of the Revised Code.

(4) "Short-stay resident" means a nursing facility resident who is not a long-stay resident.

(B)(1) Using all of the funds made available for a state fiscal year by the rate reductions under division ~~(B)~~(C) of section 5165.15 of the Revised Code, the department of medicaid shall determine a per medicaid day quality payment rate to be paid for that state fiscal year to each nursing facility that meets at least one of the quality indicators specified in division (B)(2) of this section for the measurement period. The largest quality payment rate for a state fiscal year shall be paid to nursing facilities that meet all of the quality indicators for the measurement period.

(2) The following are the quality indicators to be used for the purpose of division (B)(1) of this section:

(a) Not more than the target percentage of the nursing facility's short-stay residents had new or worsened pressure ulcers ~~and not.~~

(b) Not more than the target percentage of long-stay residents at high risk for pressure ulcers had pressure ulcers.

~~(b)~~(c) Not more than the target percentage of the nursing facility's short-stay residents newly received an antipsychotic medication ~~and not.~~

(d) Not more than the target percentage of the nursing facility's long-stay residents received an antipsychotic medication.

~~(c) The number of the nursing facility's residents who had avoidable inpatient hospital admissions did not exceed the target rate.~~

~~(d)~~(e) Not more than the target percentage of the nursing facility's long-stay residents had an unplanned weight loss.

(f) The nursing facility's employee retention rate is at least the target rate.

~~(e)~~(g) The nursing facility utilized the nursing home version of the preferences for everyday living inventory for all of its residents.

(3) The department shall specify the target percentage for the purpose of divisions (B)(2)(a) ~~and (b)~~ to (e) of this section at the fortieth percentile of nursing facilities that have data for the quality indicators. ~~The amount specified for division (B)(2)(a) of this section may differ from the amount specified for division (B)(2)(b) of this section and the amount specified for~~

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~~short-stay residents may differ from the amount specified for long-stay residents.~~ The department also shall specify the target rate for the purpose of division (B)(2)~~(e)~~(f) of this section ~~and the target rate for the purpose of division (B)(2)(d) of this section~~. In determining whether a nursing facility meets the quality indicators specified in divisions (B)(2)(c) and (d) of this section, the department shall exclude from consideration the following:

(a) In the case of the quality indicator specified in division (B)(2)(c) of this section, all of the nursing facility's short-stay residents who newly received an antipsychotic medication in conjunction with hospice care;

(b) In the case of the quality indicator specified in division (B)(2)(d) of this section, all of the nursing facility's long-stay residents who received antipsychotic medication in conjunction with hospice care.

(C) If a nursing facility undergoes a change of operator during a state fiscal year, the per medicaid day quality payment rate to be paid to the entering operator for nursing facility services that the nursing facility provides during the period beginning on the effective date of the change of operator and ending on the last day of the state fiscal year shall be the same amount as the per medicaid day quality payment rate that was in effect on the day immediately preceding the effective date of the change of operator and paid to the nursing facility's exiting operator. For the immediately following state fiscal year, the per medicaid day quality payment rate shall be the following:

(1) If the effective date of the change of operator is on or before the first day of October of the calendar year immediately preceding the state fiscal year, the amount determined for the nursing facility in accordance with division (B) of this section for the state fiscal year;

(2) If the effective date of the change of operator is after the first day of October of the calendar year immediately preceding the state fiscal year, the mean per medicaid day quality payment rate for all nursing facilities for the state fiscal year.

Sec. 5165.34. (A) The department of medicaid may make medicaid payments to a nursing facility provider under this chapter to reserve a bed for a recipient during a temporary absence under conditions prescribed by the department, to include hospitalization for an acute condition, visits with relatives and friends, and participation in therapeutic programs outside the facility, when the resident's plan of care provides for such absence and federal financial participation for the payments is available.

(B) The maximum period for which payments may be made to reserve a bed in a nursing facility shall not exceed thirty days in a calendar year.

(C) The department shall establish the per medicaid day payment rates

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for reserving beds under this section. In establishing the per medicaid day payment rates, the department shall set the per medicaid day payment rate at an amount equal to the following:

(1) In the case of a nursing facility that had an occupancy rate exceeding ninety-five per cent, an amount not exceeding fifty per cent of the per medicaid day payment rate the provider would be paid if the recipient were not absent from the nursing facility that day;

(2) In the case of a nursing facility that had an occupancy rate not exceeding ninety-five per cent, an amount not exceeding eighteen per cent of the per medicaid day payment rate the provider would be paid if the recipient were not absent from the nursing facility that day.

(D) For the purpose of setting a nursing facility's per medicaid day payment rate to reserve a bed for a day during the period beginning on ~~the effective date of this amendment~~ September 29, 2013, and ending December 31, 2013, the department shall determine the nursing facility's occupancy rate by using information reported on the nursing facility's cost report for calendar year 2012. For the purpose of setting a nursing facility's per medicaid day payment rate to reserve a bed for January 1, 2014, or thereafter, the department shall determine the nursing facility's occupancy rate by using information reported on the nursing facility's cost report for the calendar year preceding the state fiscal year in which the reservation falls.

Sec. 5165.36. The department of medicaid shall conduct a rebasing at least once every five state fiscal years. When the department conducts a rebasing for a state fiscal year, it shall conduct the rebasing for each cost center.

Sec. 5165.361. It is the general assembly's intent to specify in statute the factor to be used for state fiscal year 2020 and each state fiscal year thereafter (other than the first state fiscal year in a group of consecutive state fiscal years for which a rebasing is conducted) as the budget reduction adjustment factor for the purpose of sections 5165.15, 5165.16, 5165.17, 5165.19, and 5165.21 of the Revised Code. The budget reduction adjustment factor to be used for a state fiscal year shall not exceed the medicare skilled nursing facility market basket index determined for the federal fiscal year that begins during the state fiscal year immediately preceding the state fiscal year for which the budget reduction adjustment factor is being used. If the general assembly fails to specify in statute the factor to be used for a state fiscal year as the budget reduction adjustment factor, the budget reduction adjustment factor shall be zero.

Sec. 5165.37. The department of medicaid shall make its best efforts each year to calculate nursing facilities' medicaid payment rates under this

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chapter in time to pay the rates by the fifteenth day of August of each state fiscal year. If the department is unable to calculate the rates so that they can be paid by that date, the department shall pay each provider the rate calculated for the provider's nursing facilities under this chapter at the end of the previous state fiscal year. If the department also is unable to calculate the rates to pay the rates by the fifteenth day of September and the fifteenth day of October, the department shall pay the previous state fiscal year's rate to make those payments. The department may increase by five per cent the previous state fiscal year's rate paid for any nursing facility pursuant to this section at the request of the provider. The department shall use rates calculated for the current state fiscal year to make the payments due by the fifteenth day of November.

If the rate paid to a provider for a nursing facility pursuant to this section is lower than the rate calculated for the nursing facility for the current state fiscal year, the department shall pay the provider the difference between the two rates for the number of days for which the provider was paid for the nursing facility pursuant to this section. If the rate paid for a nursing facility pursuant to this section is higher than the rate calculated for it for the current state fiscal year, the provider shall refund to the department the difference between the two rates for the number of days for which the provider was paid for the nursing facility pursuant to this section.

Sec. 5165.41. (A) The department of medicaid shall redetermine a provider's medicaid payment rate for a nursing facility using revised information if any of the following results in a determination that the provider received a higher medicaid payment rate for the nursing facility than the provider was entitled to receive:

(1) The provider properly amends a cost report for the nursing facility under section 5165.107 of the Revised Code;

(2) The department makes a finding based on an audit under section 5165.109 of the Revised Code;

(3) The department makes a finding based on an exception review of resident assessment data conducted under section 5165.193 of the Revised Code after the effective date of the nursing facility's rate for direct care costs that is based on the resident assessment data;

(4) The department makes a finding based on a post-payment review conducted under section 5165.49 of the Revised Code.

(B) The department shall apply the redetermined rate to the periods when the provider received the incorrect rate to determine the amount of the overpayment. The provider shall refund the amount of the overpayment. The department may charge the provider the following amount of interest from

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the time the overpayment was made:

(1) If the overpayment resulted from costs reported for calendar year 1993, the interest shall be no greater than one and one-half times the current average bank prime rate.

(2) If the overpayment resulted from costs reported for a subsequent calendar year:

(a) The interest shall be no greater than two times the current average bank prime rate if the overpayment was no more than one per cent of the total medicaid payments to the provider for the state fiscal year for which the overpayment was made.

(b) The interest shall be no greater than two and one-half times the current average bank prime rate if the overpayment was more than one per cent of the total medicaid payments to the provider for the state fiscal year for which the overpayment was made.

Sec. 5165.42. In addition to the other penalties authorized by this chapter, the department of medicaid may impose the following penalties on a nursing facility provider:

(A) If the provider does not furnish invoices or other documentation that the department requests during an audit within sixty days after the request, a fine of no more than the greater of the following:

(1) One thousand dollars per audit;

(2) Twenty-five per cent of the cumulative amount by which the costs for which documentation was not furnished increased the total medicaid payments to the provider during the state fiscal year for which the costs were used to determine a rate.

(B) If an exiting operator or owner fails to provide notice of a facility closure or voluntary withdrawal of participation in the medicaid program as required by section 5165.50 of the Revised Code, or an exiting operator or owner and entering operator fail to provide notice of a change of operator as required by section 5165.51 of the Revised Code, a fine of not more than the current average bank prime rate plus four per cent of the last two monthly payments.

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Sec. 5165.52. (A) On receipt of a written notice under section 5165.50 of the Revised Code of a facility closure or voluntary withdrawal of participation, on receipt of a written notice under section 5165.51 of the Revised Code of a change of operator, or on the effective date of an involuntary termination, the department of medicaid shall estimate the amount of any overpayments made under the medicaid program to the exiting operator, including overpayments the exiting operator disputes, and other actual and potential debts the exiting operator owes or may owe to the

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department and United States centers for medicare and medicaid services under the medicaid program, including a franchise permit fee.

(B) In estimating the exiting operator's other actual and potential debts to the department and the United States centers for medicare and medicaid services under the medicaid program, the department shall use a debt estimation methodology the medicaid director shall establish in rules authorized by section 5165.53 of the Revised Code. The methodology shall provide for estimating all of the following that the department determines are applicable:

(1) Refunds due the department under section 5165.41 of the Revised Code;

(2) Interest owed to the department and United States centers for medicare and medicaid services;

(3) Final civil monetary and other penalties for which all right of appeal has been exhausted;

(4) Money owed the department and United States centers for medicare and medicaid services from any outstanding final fiscal audit, including a final fiscal audit for the last state fiscal year or portion thereof in which the exiting operator participated in the medicaid program;

(5) Other amounts the department determines are applicable.

(C) The department shall provide the exiting operator written notice of the department's estimate under division (A) of this section not later than thirty days after the department receives the notice under section 5165.50 of the Revised Code of the facility closure or voluntary withdrawal of participation; the department receives the notice under section 5165.51 of the Revised Code of the change of operator; or the effective date of the involuntary termination. The department's written notice shall include the basis for the estimate.

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Sec. 5166.01. As used in this chapter:

"209(b) option" means the option described in section 1902(f) of the "Social Security Act," 42 U.S.C. 1396a(f), under which the medicaid program's eligibility requirements for aged, blind, and disabled individuals are more restrictive than the eligibility requirements for the supplemental security income program.

"Administrative agency" means, with respect to a home and community-based services medicaid waiver component, the department of medicaid or, if a state agency or political subdivision contracts with the department under section 5162.35 of the Revised Code to administer the component, that state agency or political subdivision.

"Care management system" means the system established under section

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Code;

(b) The Ohio home care waiver program, unless it is terminated pursuant to section 5166.12 of the Revised Code;

(c) ~~The Ohio transitions II aging carve-out program, unless it is terminated pursuant to section 5166.13 of the Revised Code;~~

~~(d)~~ The integrated care delivery system medicaid waiver component authorized by section 5166.16 of the Revised Code.

(17) "Physician" means an individual authorized under Chapter 4731. of the Revised Code to practice medicine and surgery or osteopathic medicine and surgery.

(18) "Practice of nursing as a registered nurse," "practice of nursing as a licensed practical nurse," and "registered nurse" have the same meanings as in section 4723.01 of the Revised Code. "Registered nurse" includes an advanced practice registered nurse, as defined in section 4723.01 of the Revised Code.

(19) "Schedule II," "schedule III," "schedule IV," and "schedule V" have the same meanings as in section 3719.01 of the Revised Code.

(B) Participating medicaid waiver components may cover home care attendant services in accordance with sections 5166.30 to 5166.3010 of the Revised Code and rules adopted under section 5166.02 of the Revised Code.

Sec. 5166.37. The medicaid director shall establish a medicaid waiver component under which an individual eligible, subject to section 5163.15 of the Revised Code, for medicaid on the basis of being included in the expansion eligibility group must satisfy at least one of the following requirements to be able to enroll in medicaid as part of the expansion eligibility group:

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(A) Be at least fifty-five years of age;

(B) Be employed;

(C) Be enrolled in school or an occupational training program;

(D) Be participating in an alcohol and drug addiction treatment program;

(E) Have intensive physical health care needs or serious mental illness.

Sec. 5166.38. As used in this section, "institution for mental diseases" has the same meaning as in 42 C.F.R. 435.1010.

The department of medicaid shall create and administer a medicaid waiver component under which services are provided to eligible individuals at least twenty-one years of age but less than sixty-five years of age who are in need of care at an institution for mental diseases.

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Before creating the waiver component, the department shall do all of the following to determine where, when, and how services are to be provided

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under the waiver component:

(A) Participate in the centers for medicare and medicaid services' innovation accelerator program;

(B) With the assistance of the innovation accelerator program and using data obtained from the certification of services under section 5119.36 of the Revised Code and from claims for payment for the provision of services, conduct an inventory of the treatment capacity of mental health and substance use disorder treatment providers;

(C) With the assistance of the innovation accelerator program, assess the community-based continuum of care established by each board of alcohol, drug addiction, and mental health services under section 340.032 of the Revised Code, including an assessment of the ability of patients who are discharged from institutions for mental diseases to be integrated into the continuum of care.

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Sec. 5166.40. (A) As used in sections 5166.40 to 5166.409 of the Revised Code:

(1) "Adult" means an individual who is at least eighteen years of age.

(2) "Buckeye account" means a modified health savings account established under section 5166.402 of the Revised Code.

(3) "Contribution" means the amounts that an individual contributes to the individual's buckeye account and are contributed to the account on the individual's behalf under divisions (C) and (D) of section 5166.402 of the Revised Code. "Contribution" does not mean the portion of an individual's buckeye account that consists of medicaid funds deposited under division (B) of section 5166.402 of the Revised Code or section 5166.404 of the Revised Code.

(4) "Core portion" means the portion of a healthy Ohio program participant's buckeye account that consists of the following:

(a) The amount of contributions to the account;

(b) The amounts awarded to the account under divisions (C) and (D) of section 5166.404 of the Revised Code.

(5) "Eligible employer-sponsored health plan" has the same meaning as in section 5000A(f)(2) of the "Internal Revenue Code of 1986," 26 U.S.C. 5000A(f)(2).

(6) "Healthy Ohio program" means the medicaid waiver component established under sections 5166.40 to 5166.409 of the Revised Code under which medicaid recipients specified in division (B) of this section enroll in comprehensive health plans and contribute to buckeye accounts.

(7) "Healthy Ohio program debit swipe card" means a debit swipe card issued by a managed care organization to a healthy Ohio program

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participant under section 5166.403 of the Revised Code.

(8) "Not-for-profit organization" means an organization that is exempt from federal income taxation under section 501(a) and (c)(3) of the "Internal Revenue Code of 1986," 26 U.S.C. 501(a) and (c)(3).

(9) "Ward of the state" means ~~both of the following:~~ an individual who is a ward, as defined in section 2111.01 of the Revised Code.

(10) "Workforce development activity" and "~~workforce development agency~~ local board" have the same meanings as in section 6301.01 of the Revised Code.

(B) The medicaid director shall establish a medicaid waiver component to be known as the healthy Ohio program. Each adult medicaid recipient, other than a ward of the state, determined to be eligible for medicaid on the basis of either of the following shall participate in the healthy Ohio program:

(1) On the basis of being included in the category identified by the department of medicaid as covered families and children;

(2) ~~On~~ Subject to section 5163.15 of the Revised Code, on the basis of being included in the expansion eligibility group ~~described in section 1902(a)(10)(A)(i)(VIII) of the "Social Security Act," 42 U.S.C. 1396a(a)(10)(A)(i)(VIII)~~.

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(C) Except as provided in section 5166.406 of the Revised Code, a healthy Ohio program participant shall not receive medicaid services under the fee-for-service component of medicaid or participate in the care management system.

Sec. 5166.405. (A) A healthy Ohio program participant's participation in the program shall cease if any of the following applies:

(1) Unless the participant is pregnant, a monthly installment payment to the participant's buckeye account is sixty days late.

(2) The participant fails to submit documentation needed for a redetermination of the participant's eligibility for medicaid before the sixty-first day after the documentation is requested.

(3) The participant becomes eligible for medicaid on a basis other than being included in the category identified by the department of medicaid as covered families and children or being included in the expansion eligibility group ~~described in section 1902(a)(10)(A)(i)(VIII) of the "Social Security Act," 42 U.S.C. 1396a(a)(10)(A)(i)(VIII)~~.

(4) The participant becomes a ward of the state.

(5) The participant ceases to be eligible for medicaid.

(6) The participant exhausts the annual or lifetime payout limit specified in division (D) of section 5166.401 of the Revised Code.

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(7) The participant requests that the participant's participation be terminated.

(B) A healthy Ohio program participant who ceases to participate in the program under division (A)(1) or (2) of this section may not resume participation until the former participant pays the full amount of the monthly installment payment or submits the documentation needed for the former participant's medicaid eligibility redetermination. The former participant shall not be transferred to the fee-for-service component of medicaid or the care management system as a result of ceasing to participate in the healthy Ohio program under division (A)(1) or (2) of this section.

(C) Except as provided in section 5166.407 of the Revised Code, a healthy Ohio program participant who ceases to participate in the program shall be provided the contributions that are in the participant's buckeye account at the time the participant ceases participation.

Sec. 5166.408. Each county department of job and family services shall offer to refer to a ~~workforce development agency~~ local board each healthy Ohio program participant who resides in the county served by the county department and is either unemployed or employed for less than an average of twenty hours per week. The referral shall include information about the workforce development activities available from the ~~workforce development agency~~ local board. A participant may refuse to accept the referral and to participate in the workforce development activities without any affect on the participant's eligibility for, or participation in, the healthy Ohio program.

Sec. 5167.01. As used in this chapter:

(A) "Controlled substance" has the same meaning as in section 3719.01 of the Revised Code.

(B) "Dual eligible individual" has the same meaning as in section 5160.01 of the Revised Code.

(C) "Emergency services" has the same meaning as in the "Social Security Act," section 1932(b)(2), 42 U.S.C. 1396u-2(b)(2).

(D) ~~"Home and community-based services medicaid waiver component"~~ "ICDS participant" has the same meaning as in section ~~5166.01~~ 5164.01 of the Revised Code.

(E) "Medicaid managed care organization" means a managed care organization under contract with the department of medicaid pursuant to section 5167.10 of the Revised Code.

(F) "Medicaid waiver component" has the same meaning as in section 5166.01 of the Revised Code.

(G) "Nursing facility services" has the same meaning as in section 5165.01 of the Revised Code.

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(H) "Prescribed drug" has the same meaning as in section 5164.01 of the Revised Code.

(I) "Provider" means any person or government entity that furnishes services to a medicaid recipient enrolled in a medicaid managed care organization, regardless of whether the person or entity has a provider agreement.

(J) "Provider agreement" has the same meaning as in section 5164.01 of the Revised Code.

Sec. 5167.03. As part of the medicaid program, the department of medicaid shall establish a care management system. The department shall implement the system in some or all counties.

The department shall designate the medicaid recipients who are required or permitted to participate in the care management system. Those who shall be required to participate in the system include medicaid recipients who receive cognitive behavioral therapy as described in division (A)(2) of section 5167.16 of the Revised Code. Except as provided in section 5166.406 of the Revised Code, no medicaid recipient participating in the healthy Ohio program established under section 5166.40 of the Revised Code shall participate in the ~~care management~~ system.

Neither home and community-based services available under a medicaid waiver component nor nursing facility services shall be included in the care management system, except that ICDS participants may be required or permitted to obtain such services under the care management system. Medicaid recipients who receive such services may be designated for voluntary or mandatory participation in the care management system in order to receive other health care services included in the system. JRK

The department may require or permit participants in the care management system to obtain health care services from providers designated by the department. The department may require or permit participants to obtain health care services through medicaid managed care organizations.

Sec. 5167.04. ~~(A) Subject to division (B) of this section, the~~ The department of medicaid shall include alcohol, drug addiction, and mental health services covered by medicaid in the care management system established under section 5167.03 of the Revised ~~Code.~~

~~(B) All of the following apply to the manner in which division (A) of this section is implemented:~~

~~(1)~~ ~~The department shall begin to include the services in the system not later than January~~ Code. The services shall not be included in the system before July 1, 2018. JRK

~~(2) Before January 1, 2018, any proposal by the department to include~~

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this state who is not a medicaid recipient is enrolled in a health insuring corporation plan.

(L) "Permissive sales tax" means a tax levied by a county or transit authority under section 5739.021, 5739.023, or 5739.026 of the Revised Code. JRK

(M) "Qualifying subdivision" means a county or transit authority levying a permissive sales tax on July 1, 2017.

(N) "Rate year" means the fiscal year for which a franchise fee is imposed.

Sec. 5168.76. (A) For the purposes specified in section 5168.85 of the Revised Code and subject to sections 5168.82, 5168.83, and 5168.84 of the Revised Code, a franchise fee is hereby imposed each month beginning with July 2017 on each health insuring corporation plan. The franchise fee shall have a component based on Ohio medicaid member months and another component based on other Ohio member months.

(B) The department of medicaid shall determine the amount of the monthly franchise fee to be imposed on a health insuring corporation plan under the component based on Ohio medicaid member months. The determination shall be made as part of the process of determining the annual capitated payment rates to be paid to medicaid managed care organizations under the care management system. Subject to section 5168.761 of the Revised Code, the following rates shall be used as part of the determination: JRK JRK

| CUMULATIVE TOTAL NUMBER OF OHIO MEDICAID MEMBER MONTHS | APPLICABLE RATE |
|---|---|
| For the first 250,000 | $56 |
| For 250,001 to 500,000 | $45 |
| For 500,001 and above | $26 |

(C) Subject to section 5168.761 of the Revised Code, the amount of the monthly franchise fee to be imposed on a health insuring corporation plan under the component based on other Ohio member months shall be determined by multiplying the number of other Ohio member months that the health insuring corporation plan had for the month by the applicable rate or rates. The applicable rate or rates to be used in the calculation for a health insuring corporation plan for a month shall depend on the cumulative total number of other Ohio member months the health insuring corporation plan had for all of a rate year's months that ended before the beginning of the month in which the franchise fee is due. JRK

The following table shows the applicable rate or rates:

| CUMULATIVE TOTAL NUMBER OF | APPLICABLE |
|---|---|

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| OTHER OHIO MEMBER MONTHS | RATE |
|---|---|
| For the first 150,000 | $2 |
| For 150,001 and above | $1 |

Sec. 5168.761. Not later than October 1, 2017, the medicaid director shall ask the United States centers for medicare and medicaid services whether the franchise fee may be increased in a manner that provides for the franchise fee to raise up to an additional two hundred seven million dollars per fiscal year without causing the franchise fee to be an impermissible health care-related tax under section 1903(w) of the "Social Security Act," 42 U.S.C. 1396b(w). The director shall collaborate with the county commissioners association of Ohio and the director of budget and management in preparing to ask the United States centers the question and provide the United States centers all information the United States centers needs to be able to answer the question.

If the United States centers informs the director that the franchise fee may be so increased, the director shall request that the United States centers provide formal approval for the increase as soon as possible. On receipt of the formal approval, the director shall increase the franchise fee as needed to raise as much of the additional two hundred seven million dollars per fiscal year as the United States centers specifies in the formal approval. The increase shall go into effect on the later of July 1, 2018, or the earliest date the formal approval permits the increase to take effect. The increase shall be applied proportionately across health insuring corporation plans. The franchise fee shall cease to be so increased effective July 1, 2024.

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Sec. 5168.77. The component of the monthly franchise fee based on Ohio medicaid member months is due not later than the fifth business day of the month immediately following the month for which it is imposed. The component of the monthly franchise fee based on other Ohio member months is due not later than the last day of September of the calendar year in which the rate year ends, and the total amount due under that component for all of the months of the rate year shall be paid in one payment.

If a health insuring corporation administers multiple health insuring corporation plans, the corporation shall pay the total amount due for all of the plans under the component of the franchise fee based on Ohio medicaid member months in one payment and pay the total amount due for all of the plans under the component of the franchise fee based on other Ohio member months in one payment.

Sec. 5168.78. The department of medicaid may request that a health insuring corporation provide the department documentation the department needs to verify the amount of the franchise fees imposed on the health

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corporation plans, the department of medicaid shall refund the excess amount of the franchise fees to the health insuring corporations.

Sec. 5168.84. If the United States centers for medicare and medicaid services determines that the franchise fee is an impermissible health care-related tax under section 1903(w) of the "Social Security Act," 42 U.S.C. 1396b(w), the department of medicaid shall do either of the following as appropriate:

(A) Modify the imposition of the franchise fee, including (if necessary) the amount of the franchise fee, in a manner needed for the United States centers to reverse its determination;

(B) Take all necessary actions to cease the imposition of the franchise fee until the determination is reversed.

Sec. 5168.85. (A) There is hereby created in the state treasury the health insuring corporation franchise fee fund. All payments and penalties paid by health insuring corporations under sections 5168.77, 5168.79, and 5168.81 of the Revised Code shall be deposited into the fund. Except as provided in division (C) of this section, money in the fund shall be used to make medicaid payments to medicaid providers and medicaid managed care organizations. JRK JRK

(B) Any interest or other investment proceeds earned on money in the fund shall be credited to the fund and used to make medicaid payments in accordance with division (A) of this section.

(C) If the United States centers for medicare and medicaid services provides formal approval to increase the franchise fee under section 5168.761 of the Revised Code, the director of budget and management shall provide for the additional funds so raised to be transferred periodically from the health insuring corporation franchise fee to the permissive tax distribution fund created under section 4301.423 of the Revised Code for the purpose of mitigating the effects of the reduced permissive sales tax revenues of qualifying subdivisions caused by transactions described in division (B)(11)(a) of section 5739.01 of the Revised Code ceasing to be sales for the purpose of Chapters 5739. and 5741. of the Revised Code. The tax commissioner shall provide for the equitable distribution of the amounts so transferred to the county treasurer and fiscal officer of each qualifying subdivision. JRK

Sec. 5168.86. The medicaid director may adopt rules in accordance with Chapter 119. as necessary to implement sections 5168.75 to 5168.86 of the Revised Code.

Sec. 5168.99. (A) The medicaid director shall impose a penalty for each day that a hospital fails to report the information required under section

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5168.05 of the Revised Code on or before the dates specified in that section. The amount of the penalty shall be established by the director in rules adopted under section 5168.02 of the Revised Code.

(B) In addition to any other remedy available to the department of medicaid under law to collect unpaid assessments and transfers under sections 5168.01 to 5168.14 of the Revised Code, the director shall impose a penalty of ten per cent of the amount due on any hospital that fails to pay assessments or make intergovernmental transfers by the dates required by rules adopted under section 5168.02 of the Revised Code.

(C) In addition to any other remedy available to the department of medicaid under law to collect unpaid assessments imposed under section 5168.21 of the Revised Code, the director shall impose a penalty of ten per cent of the amount due on any hospital that fails to pay the assessment by the date it is due.

(D) The director shall waive the penalties provided for in this section for good cause shown by the hospital.

(E) All penalties imposed under this section shall be deposited into the health ~~care administration~~ care/medicaid support and recoveries fund created by section ~~5162.54~~ 5162.52 of the Revised Code.

Sec. 5501.91. (A) As used in this section, "port authority" means a port authority created under Chapter 4582. of the Revised Code.

(B) There is hereby established the Ohio maritime assistance program, which the department of transportation shall administer. Under the program, a municipal corporation or port authority may apply to the department for a grant to be used as prescribed in division (D) of this section. In order to be eligible for a grant under this section, a municipal corporation or port authority is required to meet either of the following requirements:

(1) At the time of application for a grant, the municipal corporation or port authority has an active marine cargo terminal located on the shore of Lake Erie or the Ohio river or on a Lake Erie tributary.

(2) The grant application is for the planning and construction of a new marine cargo terminal located on the shore of Lake Erie or the Ohio river or on a Lake Erie tributary.

(C)(1) Every applicant for a grant shall submit with its application a written business justification for the investment that indicates the operational and market need for the project in a form the director of transportation shall prescribe.

(2) The department shall evaluate all grant applications according to the following criteria:

(a) The degree to which the proposed project will increase the efficiency

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or capacity of maritime cargo terminal operations;

(b) Whether the project will result in the handling of new types of cargo or an increase in cargo volume;

(c) Whether the project will meet an identified supply chain need or benefit Ohio firms that export goods to foreign markets, or import goods to Ohio for use in manufacturing or for value-added distribution;

(d) Any other criteria the director determines to be appropriate.

(3) If a grant application does not meet the criteria specified in divisions (C)(2)(b) and (c) of this section, an applicant is not eligible for a grant under this section.

(D) A municipal corporation or port authority shall use a grant awarded under this section only for any of the following purposes:

(1) Land acquisition and site development for marine cargo terminal and associated uses, including demolition and environmental remediation;

(2) Construction of wharves, quay walls, bulkheads, jetties, revetments, breakwaters, shipping channels, dredge disposal facilities, projects for the beneficial use of dredge material, and other structures and improvements directly related to maritime commerce and harbor infrastructure;

(3) Construction and repair of warehouses, transit sheds, railroad tracks, roadways, gates and gatehouses, fencing, bridges, offices, ship yards, and other improvements needed for marine cargo terminal and associated uses, including ship yards;

(4) Acquisition of cargo handling equipment, including mobile shore cranes, stationary cranes, tow motors, fork lifts, yard tractors, craneways, conveyor and bulk material handling equipment, and all types of ship loading and unloading equipment;

(5) Operating funds for marine cargo terminal operations and associated uses.

(E) A municipal corporation or port authority shall pay a matching amount not to exceed one dollar for each grant dollar received for the proposed project.

(F) The director of transportation, in accordance with Chapter 119. of the Revised Code, shall adopt rules governing the program established under this section, including the grant application, evaluation, award processes, and how the grant money may be spent by a municipal corporation or port authority.

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Sec. 5502.01. (A) The department of public safety shall administer and enforce the laws relating to the registration, licensing, sale, and operation of motor vehicles and the laws pertaining to the licensing of drivers of motor vehicles.

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Code. No officer, employee, or agent of the development services agency shall disclose any information provided to the development services agency by the department of taxation under division (C)(16) of this section except when disclosure of the information is necessary for, and made solely for the purpose of facilitating, the evaluation of potential tax credits, grants, or loans.

(17) Disclosing to the department of insurance information in the possession of the department of taxation that is necessary to ensure a taxpayer's compliance with the requirements with any tax credit administered by the development services agency and claimed by the taxpayer against any tax administered by the superintendent of insurance. No officer, employee, or agent of the department of insurance shall disclose any information provided to the department of insurance by the department of taxation under division (C)(17) of this section.

(18) Disclosing to the division of liquor control information in the possession of the department of taxation that is necessary for the division and department to comply with the requirements of sections 4303.26 and 4303.271 of the Revised Code;

(19) Disclosing to the department of public safety information in the possession of the department of taxation that is necessary to ensure compliance with the requirements of elections made by motor vehicle dealers under division (B)(5) of section 4505.06 of the Revised Code, or disclosing to the registrars and clerks of courts information in the possession of the department of taxation as required under that division. No registrar or clerk shall publicly disclose any information provided by the department of taxation under that division.

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Sec. 5703.26. No person shall knowingly make, present, aid, or assist in the preparation or presentation of a false or fraudulent report, return, schedule, statement, claim, or document authorized or required by law to be filed with the department of taxation, the treasurer of state, a county auditor, a county treasurer, or a county clerk of courts, or knowingly procure, counsel, or advise the preparation or presentation of such report, return, schedule, statement, claim, or document, or knowingly change, alter, or amend, or knowingly procure, counsel, or advise such change, alteration, or amendment of the records upon which such report, return, schedule, statement, claim, or document is based with intent to defraud the state or any of its subdivisions.

If the report, return, schedule, statement, claim, or document involves the application for or renewal of a license, such acts or conduct may result in the denial or revocation of the license.

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(1) "School district" means a city, local, or exempted village school district.

(2) "Joint vocational school district" means a joint vocational school district created under section 3311.16 of the Revised Code, and includes a cooperative education school district created under section 3311.52 or 3311.521 of the Revised Code and a county school financing district created under section 3311.50 of the Revised Code.

(3) "Total resources" means, for purposes of calculating the payments made to school districts under division (C)(1) of this section, the sum of the amounts described in divisions (A)(3)(a) to (g) of this section less any reduction required under division (C)(3)(4)(a) of this section.

(a) The state education aid for fiscal year 2015;

(b) The sum of the payments received in fiscal year 2015 for current expense levy losses under division (C)(3) of section 5727.85 and division (C)(12) of section 5751.21 of the Revised Code, as they existed at that time, excluding the portion of such payments attributable to levies for joint vocational school district purposes;

(c) The sum of fixed-sum levy loss payments received by the school district in fiscal year 2015 under division (F)(1) of section 5727.85 and division (E)(1) of section 5751.21 of the Revised Code, as they existed at that time, for fixed-sum levies charged and payable for a purpose other than paying debt charges;

(d) The district's taxes charged and payable against all property on the tax list of real and public utility property for current expense purposes for tax year 2014, including taxes charged and payable from emergency levies charged and payable under sections 5705.194 to 5705.197 of the Revised Code, excluding taxes levied for joint vocational school district purposes or levied under section 5705.23 of the Revised Code;

(e) The amount certified for fiscal year 2015 under division (A)(2) of section 3317.08 of the Revised Code;

(f) Distributions received during calendar year 2014 from taxes levied under section 718.09 of the Revised Code;

(g) Distributions received during fiscal year 2015 from the gross casino revenue county student fund.

(4) "Total resources" means, for the purpose of calculating the payments to be made to school districts under division (C)(2) of this section, the sum of the amounts described in divisions (A)(4)(a) to (f) of this section less any reduction required under division (C)(4)(a) of this section.

(a) The state education aid for fiscal year 2017;

(b) The sum of the payments received by the district in fiscal year 2017

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under divisions (C)(1) and (D) of this section;

(c) The district's taxes charged and payable against all property on the tax list of real and public utility property for current expense purposes for tax year 2016, including taxes charged and payable from emergency levies charged and payable under sections 5705.194 to 5705.197 of the Revised Code, excluding taxes levied for joint vocational school district purposes or levied under section 5705.23 of the Revised Code;

(d) Revenue received during calendar year 2016 from an income tax levied under Chapter 5748. of the Revised Code;

(e) Distributions received during calendar year 2016 from taxes levied under section 718.09 or 718.10 of the Revised Code;

(f) Distributions received during fiscal year 2017 from the gross casino revenue county student fund.

(5) "Total resources" means, for the purpose of calculating the payments to be made to joint vocational school districts under division (C)(3) of this section, the sum of the amounts described in divisions (A)(5)(a) to (d) of this section less any reduction required under division (C)(4)(a) of this section.

(a) The state education aid for fiscal year 2017;

(b) The sum of the payments received by the district in fiscal year 2017 under division (C)(1) of this section;

(c) The district's taxes charged and payable against all property on the tax list of real and public utility property for current expense purposes for tax year 2016, including taxes charged and payable from emergency levies charged and payable under sections 5705.194 to 5705.197 of the Revised Code;

(d) Distributions received during fiscal year 2017 from the gross casino revenue county student fund.

(6)(a) "State education aid" for a school district means the sum of state amounts computed for the district under sections 3317.022 and 3317.0212 of the Revised Code after any amounts are added or subtracted under Section ~~263.240~~ 263.230 of Am. Sub. H.B. ~~59~~ 64 of the ~~130th~~ 131st general assembly, entitled "TRANSITIONAL AID FOR CITY, LOCAL, AND EXEMPTED VILLAGE SCHOOL DISTRICTS."

(b) "State education aid" for a joint vocational district means the amount computed for the district under section 3317.16 of the Revised Code after any amounts are added or subtracted under Section ~~263.250~~ 263.240 of Am. Sub. H.B. ~~59~~ 64 of the ~~130th~~ 131st general assembly, entitled "TRANSITIONAL AID FOR JOINT VOCATIONAL SCHOOL DISTRICTS."

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~~(5)~~(7) "Taxes charged and payable" means taxes charged and payable after the reduction required by section 319.301 of the Revised Code but before the reductions required by sections 319.302 and 323.152 of the Revised Code.

~~(6)~~(8) "Capacity quintile" means the capacity measure quintiles determined under division (B) of this section.

~~(7)~~(9) "Threshold per cent" means the following:

(a) For a school district in the lowest capacity quintile, one per cent for fiscal year 2016 and two per cent for fiscal year 2017.

(b) For a school district in the second lowest capacity quintile, one and one-fourth per cent for fiscal year 2016 and two and one-half per cent for fiscal year 2017.

(c) For a school district in the third lowest capacity quintile, one and one-half per cent for fiscal year 2016 and three per cent for fiscal year 2017.

(d) For a school district in the second highest capacity quintile, one and three-fourths per cent for fiscal year 2016 and three and one-half per cent for fiscal year 2017.

(e) For a school district in the highest capacity quintile, two per cent for fiscal year 2016 and four per cent for fiscal year 2017.

(f) For a joint vocational school district, two per cent for fiscal year 2016 and four per cent for fiscal year 2017.

~~(8)~~(10) "Current expense allocation" means the sum of the payments received by a school district or joint vocational school district in fiscal year 2015 for current expense levy losses under division (C)(3) of section 5727.85 and division (C)(12) of section 5751.21 of the Revised Code as they existed at that time, less any reduction required under division (C)~~(3)~~(4)(b) of this section.

~~(9)~~(11) "Non-current ~~expense~~ allocation" means the sum of the payments received by a school district or joint vocational school district in fiscal year 2015 for levy losses under division (C)(3)(c) of section 5727.85 and division (C)(12)(c) of section 5751.21 of the Revised Code, as they existed at that time, and levy losses in fiscal year 2015 under division (H) of section 5727.84 of the Revised Code as that section existed at that time attributable to levies for and payments received for losses on levies intended to generate money for maintenance of classroom facilities.

~~(10)~~(12) "Operating TPP fixed-sum levy losses" means the sum of payments received by a school district in fiscal year 2015 for levy losses under division (E) of section 5751.21 of the Revised Code, excluding levy losses for debt purposes.

~~(11)~~(13) "Operating S.B. 3 fixed-sum levy losses" means the sum of

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payments received by the school district in fiscal year 2015 for levy losses under division (H) of section 5727.84 of the Revised Code, excluding levy losses for debt purposes.

~~(12)~~(14) "TPP fixed-sum debt levy losses" means the sum of payments received by a school district in fiscal year 2015 for levy losses under division (E) of section 5751.21 of the Revised Code for debt purposes.

~~(13)~~(15) "S.B. 3 fixed-sum debt levy losses" means the sum of payments received by the school district in fiscal year 2015 for levy losses under division (H) of section 5727.84 of the Revised Code for debt purposes.

~~(14)~~(16) "Qualifying levies" means qualifying levies described in section 5751.20 of the Revised Code as that section was in effect before July 1, 2015.

~~(15)~~(17) "Total taxable value" has the same meaning as in section 3317.02 of the Revised Code.

(B) The department of education shall rank all school districts in the order of districts' capacity measures determined under former section 3317.018 of the Revised Code from lowest to highest, and divide such ranking into quintiles, with the first quintile containing the twenty per cent of school districts having the lowest capacity measure and the fifth quintile containing the twenty per cent of school districts having the highest capacity measure. This calculation and ranking shall be performed once, in fiscal year 2016.

(C)(1) In fiscal year 2016, payments shall be made to school districts and joint vocational school districts equal to the sum of the amounts described in divisions (C)(1)(a) or (b) and (C)(1)(c) of this section. In fiscal year 2017, payments shall be made to school districts and joint vocational school districts equal to the amount described in division (C)(1)(a) or (b) of this section.

(a) If the ratio of the current expense allocation to total resources is equal to or less than the district's threshold per cent, zero;

(b) If the ratio of the current expense allocation to total resources is greater than the district's threshold per cent, the difference between the current expense allocation and the product of the threshold percentage and total resources;

(c) For fiscal year 2016, the product of the non-current expense allocation multiplied by fifty per cent.

(2) In fiscal year 2018 and subsequent fiscal years, payments shall be made to school districts ~~and~~ other than joint vocational school districts equal to the following amounts:

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(a) For fiscal year 2018, the greater of the amounts described in division (C)(2)(a)(i) or (ii) of this section.

(i) The difference obtained by subtracting the amount described in division (C)(2)~~(b)~~(a)(i)~~(II)~~ of this section from the amount described in division (C)(2)(a)(i)(I) of this section, provided that such amount is greater than zero.

~~(a)~~(I) The sum of the payments received by the district under division (C)(1)(b) ~~or (C)(2)~~ of this section for ~~the immediately preceding~~ fiscal year 2017;

~~(b)~~(II) One-sixteenth of one per cent of the average of the total taxable value of the district for tax years 2014, 2015, and 2016.

(ii) The difference obtained by subtracting the amount described in division (C)(2)(a)(ii)(II) of this section from the amount described in division (C)(2)(a)(ii)(I) of this section, provided that such amount is greater than zero.

(I) The sum of the payments received by the district in fiscal year 2017 under division (C)(1)(b) of this section and Section 263.325 of Am. Sub. H.B. 64 of the 131st general assembly, as amended by Sub. S.B. 208 of the 131st general assembly;

(II) Three and one-half per cent of the district's total resources.

(b) For fiscal year 2019, the difference obtained by subtracting the amount described in division (C)(2)(b)(ii) of this section from the amount described in division (C)(2)(b)(i) of this section, provided that such amount is greater than zero.

(i) The payments received by the district for fiscal year 2018 under division (C)(2)(a) of this section;

(ii) One-sixteenth of one per cent of the average of the total taxable value of the district for tax years 2015, 2016, and 2017.

(c) For fiscal year 2020 and subsequent fiscal years, the difference obtained by subtracting the amount described in division (C)(2)(c)(ii) of this section from the amount described in division (C)(2)(c)(i) of this section, provided that such amount is greater than zero.

(i) The payments received by the district under division (C)(2) of this section for the immediately preceding fiscal year;

(ii) One-fourth of one-tenth of one per cent of the average of the total taxable value of the district for tax years 2016, 2017, and 2018.

(3) In fiscal year 2018 and subsequent fiscal years, payments shall be made to joint vocational school districts equal to the difference obtained by subtracting the amount described in division (C)(3)(b) of this section from the amount described in division (C)(3)(a) of this section, provided that such

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amount is greater than zero.

(a) The sum of the payments received by the district under division (C)(1)(b) or (3) of this section for the immediately preceding fiscal year;

(b) Three and one-half per cent of the district's total resources.

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(4)(a) "Total resources" used to compute payments under division (C)(1) of this section shall be reduced to the extent that payments distributed in fiscal year 2015 were attributable to levies no longer charged and payable for tax year 2014. "Total resources" used to compute payments under divisions (C)(2) and (3) of this section shall be reduced to the extent that payments distributed in fiscal year 2017 were attributable to levies no longer charged and payable for tax year 2016.

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(b) "Current expense allocation" used to compute payments under division (C)(1) of this section shall be reduced to the extent that the payments distributed in fiscal year 2015 were attributable to levies no longer charged and payable for tax year 2014.

~~(4)~~(5) The department of education shall report to each school district and joint vocational school district the apportionment of the payments under division (C)(1) of this section among the district's funds based on qualifying levies.

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(D)(1) Payments in the following amounts shall be made to school districts and joint vocational school districts in tax years 2016 through 2021:

(a) In tax year 2016, the sum of the district's operating TPP fixed-sum levy losses and operating S.B. 3 fixed-sum levy losses.

(b) In tax year 2017, the sum of the district's operating TPP fixed-sum levy losses and eighty per cent of operating S.B. 3 fixed-sum levy losses.

(c) In tax year 2018, the sum of eighty per cent of the district's operating TPP fixed-sum levy losses and sixty per cent of its operating S.B. 3 fixed-sum levy losses.

(d) In tax year 2019, the sum of sixty per cent of the district's operating TPP fixed-sum levy losses and forty per cent of its operating S.B. 3 fixed-sum levy losses.

(e) In tax year 2020, the sum of forty per cent of the district's operating TPP fixed-sum levy losses and twenty per cent of its operating S.B. 3 fixed-sum levy losses.

(f) In tax year 2021, twenty per cent of the district's operating TPP fixed-sum levy losses.

No payment shall be made under division (D)(1) of this section after tax year 2021.

(2) Amounts are payable under division (D) of this section for fixed-sum levy losses only to the extent of such losses for qualifying levies

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follows:

(1) For a merger of two or more districts, fixed-sum levy losses, total resources, current expense allocation, and non-current expense allocation of the successor district shall be the sum of such items for each of the districts involved in the merger.

(2) If property is transferred from one district to a previously existing district, the amount of the total resources, current expense allocation, and non-current expense allocation that shall be transferred to the recipient district shall be an amount equal to the total resources, current expense allocation, and non-current expense allocation of the transferor district times a fraction, the numerator of which is the number of pupils being transferred to the recipient district, measured, in the case of a school district, by formula ADM as defined in section 3317.02 of the Revised Code or, in the case of a joint vocational school district, by formula ADM as defined for a joint vocational school district in that section, and the denominator of which is the formula ADM of the transferor district.

(3) After December 31, 2010, if property is transferred from one or more districts to a district that is newly created out of the transferred property, the newly created district shall be deemed not to have any total resources, current expense allocation, total allocation, or non-current expense allocation.

(4) If the recipient district under division (G)(2) of this section or the newly created district under division (G)(3) of this section is assuming debt from one or more of the districts from which the property was transferred and any of the districts losing the property had fixed-sum levy losses, the department of education, in consultation with the tax commissioner, shall make an equitable division of the reimbursements for those losses.

(H) The payments required by divisions (C), (D), (E), and (F) of this section shall be distributed periodically to each school and joint vocational school district by the department of education unless otherwise provided for. Except as provided in division (D) of this section, if a levy that is a qualifying levy is not charged and payable in any year after 2014, payments to the school district or joint vocational school district shall be reduced to the extent that the payments distributed in fiscal year 2015 were attributable to the levy loss of that levy.

Sec. 5713.051. (A) As used in this section:
(1) "Oil" means all grades of crude oil.
(2) "Gas" means all forms of natural gas.
(3) "Well" means an oil or gas well or an oil and gas well.
(4) "M.C.F." means one thousand cubic feet.

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(5) "Commonly metered wells" means two or more wells that share the same meter.

(6) "Total production" means the total amount of oil, measured in barrels, and the total amount of gas, measured in M.C.F., of all oil and gas actually produced and sold from a single well that is developed and producing on the tax lien date. For commonly metered wells, "total production" means the total amount of oil, measured in barrels, and the total amount of gas, measured in M.C.F., of all oil and gas actually produced and sold from the commonly metered wells divided by the number of the commonly metered wells.

(7) "Flush production" means total production from a single well during the first twelve calendar months during not more than two consecutive calendar years after a well first begins to produce. For commonly metered wells, "flush production" means total production during the first twelve calendar months during not more than two consecutive calendar years after a well first begins to produce from all wells with flush production divided by the number of those wells.

(8) "Production through secondary recovery methods" means total production from a single well where mechanically induced pressure, such as air, nitrogen, carbon dioxide, or water pressure, is used to stimulate and maintain production in the oil and gas reservoir, exclusive of any flush production. For commonly metered wells, "production through secondary recovery methods" means total production from all wells with production through secondary recovery methods divided by the number of ~~the~~ those wells.

(9) "Stabilized production" means total production reduced, if applicable, by the greater of forty-two and one-half per cent of flush production or fifty per cent of production through secondary recovery methods.

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(10) "Average daily production" means stabilized production divided by three hundred sixty-five, provided the well was in production at the beginning of the calendar year. If the well was not in production at the beginning of the calendar year, "average daily production" means stabilized production divided by the number of days beginning with the day the well went into production in the calendar year and ending with the thirty-first day of December.

(11) "Gross price" means the unweighted average price per barrel of oil or the average price per M.C.F. of gas produced from Ohio wells and first sold during the five-year period ending with the calendar year immediately preceding the tax lien date, as reported by the department of natural

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resources.

(12) "Average annual decline rate" means the amount of yearly decline in oil and gas production of a well after flush production has ended. For the purposes of this section, the average annual decline rate is thirteen per cent.

(13) "Gross revenue" means the gross revenue from a well during a ten-year discount period with production assumed to be one barrel of oil or one M.C.F. of gas during the first year of production and declining at the annual average annual decline rate during the remaining nine years of the ten-year discount period, as follows:

(a) First year: one barrel or one M.C.F. multiplied by gross price;

(b) Second year: 0.870 barrel or 0.870 M.C.F. multiplied by gross price;

(c) Third year: 0.757 barrel or 0.757 M.C.F. multiplied by gross price;

(d) Fourth year: 0.659 barrel or 0.659 M.C.F. multiplied by gross price;

(e) Fifth year: 0.573 barrel or 0.573 M.C.F. multiplied by gross price;

(f) Sixth year: 0.498 barrel or 0.498 M.C.F. multiplied by gross price;

(g) Seventh year: 0.434 barrel or 0.434 M.C.F. multiplied by gross price;

(h) Eighth year: 0.377 barrel or 0.377 M.C.F. multiplied by gross price;

(i) Ninth year: 0.328 barrel or 0.328 M.C.F. multiplied by gross price;

(j) Tenth year: 0.286 barrel or 0.286 M.C.F. multiplied by gross price.

(14) "Average royalty expense" means the annual cost of royalties paid by all working interest owners in a well. For the purposes of this section, the average royalty expense is fifteen per cent of annual gross revenue.

(15) "Average operating expense" means the annual cost of operating and maintaining a producing well after it first begins production. For the purposes of this section, the average operating expense is forty per cent of annual gross revenue.

(16) "Average capital recovery expense" means the annual capitalized investment cost of a developed and producing well. For the purposes of this section, average capital recovery expense is thirty per cent of annual gross revenue.

(17) "Discount rate" means the rate used to determine the present net worth of one dollar during each year of the ten-year discount period assuming the net income stream projected for each year of the ten-year discount period is received at the half-year point. For the purposes of this section, the discount rate equals thirteen per cent plus the rate per annum prescribed by division (B) of section 5703.47 of the Revised Code and determined by the tax commissioner in October of the calendar year immediately preceding the tax lien date.

(B) The true value in money of oil reserves constituting real property on

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tax lien dates January 1, 2007, and thereafter with respect to a developed and producing well that has not been the subject of a recent arm's length sale, exclusive of personal property necessary to recover the oil, shall be determined under division (B)(1) or (2) of this section.

(1) For ~~wells~~ oil reserves for which average daily production of oil from a well is one barrel or more in the calendar year preceding the tax lien date, the true value in money equals the average daily production of oil from the well multiplied by the net present value of one barrel of oil, where:

(a) Net present value of one barrel of oil = 365 x the sum of [net income for each year of the discount period x discount rate factor for that year] for all years in the discount period; and

(b) Net income for a year of the discount period = gross revenue for that year minus the sum of the following for that year: average royalty expense, average operating expense, and average capital recovery expense.

(2) For ~~wells~~ oil reserves for which average daily production of oil from a well is less than one barrel in the calendar year preceding the tax lien date, the true value in money equals the average daily production of the well, if any, in the calendar year preceding the tax lien date multiplied by sixty per cent of the net present value of one barrel of oil as computed under division (B)(1) of this section.

(C) The true value in money of gas reserves constituting real property on tax lien dates January 1, 2007, and thereafter with respect to a developed and producing well that has not been the subject of a recent arm's length sale, exclusive of personal property necessary to recover the gas, shall be determined under division (C)(1) or (2) of this section.

(1) For ~~wells~~ gas reserves for which average daily production of gas from a well is eight M.C.F. or more in the calendar year preceding the tax lien date, the true value in money equals the average daily production of gas from the well multiplied by the net present value of one M.C.F. of gas, where:

(a) Net present value of one M.C.F. of gas = 365 x the sum of [net income for each year of the discount period x discount rate factor for that year] for all years in the discount period; and

(b) Net income for a year of the discount period = gross revenue for that year minus the sum of the following for that year: average royalty expense, average operating expense, and average capital recovery expense.

(2) For ~~wells~~ gas reserves for which average daily production of gas from a well is less than eight M.C.F. in the calendar year preceding the tax lien date, the true value in money equals the average daily production of the well, if any, in the calendar year preceding the tax lien date multiplied by

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fifty per cent of the net present value of one M.C.F. as computed under division (C)(1) of this section.

(D) No method other than the method described in this section shall be used to determine the true value in money of oil or gas reserves for property tax purposes.

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Sec. 5713.31. At any time after the first Monday in January and prior to the first Monday in March of any year, an owner of agricultural land may file an application with the county auditor of the county in which such land is located, requesting the auditor to value the land for real property tax purposes at the current value such land has for agricultural use, in accordance with section 5715.01 of the Revised Code and the rules adopted by the commissioner for the valuation of such land. An owner's first application with respect to the owner's land shall be in the form of an initial application. Each application filed in ensuing consecutive years after the initial application by that owner shall be in the form of a renewal application. The commissioner shall prescribe the form of the initial and the renewal application, but the renewal application shall require no more information than is necessary to establish the applicant's continued eligibility to have the applicant's land valued for agricultural use, for all lots, parcels, or tracts of land, or portions thereof, within a county, that have been valued at the current value of such land for agricultural use in the preceding tax year. If, on the first day of January of the tax year, any portion of the applicant's agricultural land is used for a conservation practice or devoted to a land retirement or conservation program under an agreement with an agency of the federal government, the applicant shall so indicate on the initial or renewal application.

On or before the second Tuesday after the first Monday in March, the auditor shall determine whether the current owner of any lot, parcel, or tract of land or portion thereof contained in the preceding tax year's agricultural land tax list failed to file an initial or renewal application, as appropriate, for the current tax year with respect to such lot, parcel, or tract or portion thereof. The auditor shall forthwith notify, by certified mail, each owner who failed to file an application that unless application is filed with the auditor prior to the first Monday of April of the current year, the land will be valued for real property tax purposes in the current tax year at its true value in money and that the recoupment required by sections 5713.34 and 5713.35 of the Revised Code will be placed on the current year's tax list and duplicate for collection.

Each initial application shall be accompanied by a fee of twenty-five dollars. Application fees shall be paid into the county treasury to the credit

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charge reasonable application and other fees in connection with the administration of tax credits authorized by this section and sections 5726.54, 5729.16, and 5733.58 of the Revised Code. Any such fees collected shall be credited to the tax incentives operating fund created in section 122.174 of the Revised Code. ~~The director of development services shall use money in the fund to pay expenses related to the administration of tax credits authorized under sections 5725.33, 5726.54, 5729.16, and 5733.58 of the Revised Code.~~

(G) Tax credits earned or allocated to a pass-through entity, as that term is defined in section 5733.04 of the Revised Code, under section 5725.33, 5726.54, 5729.16, or 5733.58 of the Revised Code may be allocated to persons having a direct or indirect ownership interest in the pass-through entity for such persons' direct use in accordance with the provisions of any mutual agreement between such persons.

Sec. 5725.98. (A) To provide a uniform procedure for calculating the amount of tax imposed by section 5725.18 of the Revised Code that is due under this chapter, a taxpayer shall claim any credits and offsets against tax liability to which it is entitled in the following order:

(1) The credit for an insurance company or insurance company group under section 5729.031 of the Revised Code;

(2) The credit for eligible employee training costs under section 5725.31 of the Revised Code;

(3) The credit for purchasers of qualified low-income community investments under section 5725.33 of the Revised Code;

(4) The nonrefundable job retention credit under division (B) of section 122.171 of the Revised Code;

(5) The nonrefundable credit for investments in rural business and high-growth industry funds under section 122.152 of the Revised Code;

(6) The offset of assessments by the Ohio life and health insurance guaranty association permitted by section 3956.20 of the Revised Code;

~~(6)~~(7) The refundable credit for rehabilitating a historic building under section 5725.34 of the Revised Code.

~~(7)~~(8) The refundable credit for Ohio job retention under former division (B)(2) or (3) of section 122.171 of the Revised Code as those divisions existed before September 29, 2015, the effective date of the amendment of this section by H.B. 64 of the 131st general assembly;

~~(8)~~(9) The refundable credit for Ohio job creation under section 5725.32 of the Revised Code;

~~(9)~~(10) The refundable credit under section 5725.19 of the Revised Code for losses on loans made under the Ohio venture capital program

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under sections 150.01 to 150.10 of the Revised Code.

(B) For any credit except the refundable credits enumerated in this section, the amount of the credit for a taxable year shall not exceed the tax due after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized under the section creating that credit. Nothing in this chapter shall be construed to allow a taxpayer to claim, directly or indirectly, a credit more than once for a taxable year.

Sec. 5726.98. (A) To provide a uniform procedure for calculating the amount of tax due under section 5726.02 of the Revised Code, a taxpayer shall claim any credits to which the taxpayer is entitled under this chapter in the following order:

(1) The nonrefundable job retention credit under division (B) of section 5726.50 of the Revised Code;

(2) The nonrefundable credit for purchases of qualified low-income community investments under section 5726.54 of the Revised Code;

(3) The nonrefundable credit for qualified research expenses under section 5726.56 of the Revised Code;

(4) The nonrefundable credit for qualifying dealer in intangibles taxes under section 5726.57 of the Revised Code;

(5) The refundable credit for rehabilitating an historic building under section 5726.52 of the Revised Code;

(6) The nonrefundable credit for investments in rural business and high-growth industry funds under section 122.152 of the Revised Code;

(7) The refundable job retention or job creation credit under division (A) of section 5726.50 of the Revised Code;

~~(7)~~(8) The refundable credit under section 5726.53 of the Revised Code for losses on loans made under the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code;

~~(8)~~(9) The refundable motion picture production credit under section 5726.55 of the Revised Code.

(B) For any credit except the refundable credits enumerated in this section, the amount of the credit for a taxable year shall not exceed the tax due after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized under the section creating that credit. Nothing in this chapter shall be construed to allow a taxpayer to claim, directly or indirectly, a credit more than once for a taxable year.

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Sec. 5727.26. (A) The tax commissioner may make an assessment, based on any information in the commissioner's possession, against any

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distributed to a purchaser that is no longer registered as a self-assessing purchaser. A self-assessing purchaser with a canceled registration must file a report and remit the tax imposed by division (A) of this section on all electricity it receives for any measurement period prior to the tax being reported and paid by the electric distribution company. A self-assessing purchaser whose registration is canceled by the tax commissioner is not eligible to register as a self-assessing purchaser for two years after the registration is canceled.

(7) If the tax commissioner cancels the self-assessing registration of a purchaser registered on the basis of its estimated consumption because the purchaser does not consume at least forty-five million kilowatt hours of electricity over the course of the twelve-month period for which the estimate was made, the tax commissioner shall assess and collect from the purchaser the difference between (a) the amount of tax that would have been payable under division (A) of this section on the electricity distributed to the purchaser during that period and (b) the amount of tax paid by the purchaser on such electricity pursuant to division (C)(2) of this section. The assessment shall be paid within sixty days after the tax commissioner issues it, regardless of whether the purchaser files a petition for reassessment under section 5727.89 of the Revised Code covering that period. If the purchaser does not pay the assessment within the time prescribed, the amount assessed is subject to the additional charge and the interest prescribed by divisions (B) and (C) of section 5727.82 of the Revised Code, and is subject to assessment under section 5727.89 of the Revised Code. If the purchaser is a qualified end user, division (C)(7) of this section applies only to electricity it consumes in other than its qualifying manufacturing process.

(D) The tax imposed by this section does not apply to the distribution of any kilowatt hours of electricity to the federal government, to an end user located at a federal facility that uses electricity for the enrichment of uranium, to a qualified regeneration meter, or to an end user for any day the end user is a qualified end user. The exemption under this division for a qualified end user only applies to the manufacturing location where the qualified end user uses electricity in a chlor-alkali manufacturing process or where the qualified end user uses more than three million kilowatt hours per day in ~~a qualifying~~ an electrochemical manufacturing process.

(E) All revenue arising from the tax imposed by this section shall be credited to the general revenue fund except as provided by division (C) of this section and section 5727.82 of the Revised Code.

Sec. 5729.98. (A) To provide a uniform procedure for calculating the amount of tax due under this chapter, a taxpayer shall claim any credits and JRK

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offsets against tax liability to which it is entitled in the following order:

(1) The credit for an insurance company or insurance company group under section 5729.031 of the Revised Code;

(2) The credit for eligible employee training costs under section 5729.07 of the Revised Code;

(3) The credit for purchases of qualified low-income community investments under section 5729.16 of the Revised Code;

(4) The nonrefundable job retention credit under division (B) of section 122.171 of the Revised Code;

(5) The nonrefundable credit for investments in rural business and high-growth industry funds under section 122.152 of the Revised Code;

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(6) The offset of assessments by the Ohio life and health insurance guaranty association against tax liability permitted by section 3956.20 of the Revised Code;

~~(6)~~(7) The refundable credit for rehabilitating a historic building under section 5729.17 of the Revised Code.

~~(7)~~(8) The refundable credit for Ohio job retention under former division (B)(2) or (3) of section 122.171 of the Revised Code as those divisions existed before September 29, 2015, the effective date of the amendment of this section by H.B. 64 of the 131st general assembly;

~~(8)~~(9) The refundable credit for Ohio job creation under section 5729.032 of the Revised Code;

~~(9)~~(10) The refundable credit under section 5729.08 of the Revised Code for losses on loans made under the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code.

(B) For any credit except the refundable credits enumerated in this section, the amount of the credit for a taxable year shall not exceed the tax due after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized under the section creating that credit. Nothing in this chapter shall be construed to allow a taxpayer to claim, directly or indirectly, a credit more than once for a taxable year.

Sec. 5731.46. The county treasurer shall keep an account showing the amount of all taxes and interest received by ~~him~~ the treasurer under Chapter 5731. of the Revised Code. On the twenty-fifth day of February ~~and the twentieth day of August~~ of each year ~~he~~, the treasurer shall settle with the county auditor for all such taxes and interest so received ~~at the time of making such settlement,~~ in the preceding calendar year and not included in any ~~preceding~~ prior settlement, showing for what estate, by whom, and when paid. At each such settlement the auditor shall allow to the treasurer

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(3) All transactions by which:

(a) An item of tangible personal property is or is to be repaired, except property, the purchase of which would not be subject to the tax imposed by section 5739.02 of the Revised Code;

(b) An item of tangible personal property is or is to be installed, except property, the purchase of which would not be subject to the tax imposed by section 5739.02 of the Revised Code or property that is or is to be incorporated into and will become a part of a production, transmission, transportation, or distribution system for the delivery of a public utility service;

(c) The service of washing, cleaning, waxing, polishing, or painting a motor vehicle is or is to be furnished;

(d) Until August 1, 2003, industrial laundry cleaning services are or are to be provided and, on and after August 1, 2003, laundry and dry cleaning services are or are to be provided;

(e) Automatic data processing, computer services, electronic publishing services, or electronic information services are or are to be provided for use in business when the true object of the transaction is the receipt by the consumer of automatic data processing, computer services, electronic publishing services, or electronic information services ~~rather than the receipt of personal or professional services to which~~. When provided in conjunction with one or more other services, the receipt by a consumer of automatic data processing, computer services, electronic publishing services, or electronic information services ~~are incidental or supplemental~~ is not the true object of the transaction when the automatic data processing, computer service, electronic publishing service, or electronic information service is provided primarily for the delivery, receipt, or use of the other service or services. Notwithstanding any other provision of this chapter, ~~such transactions~~ sales of automatic data processing, computer services, electronic publishing services, or electronic information services that occur between members of an affiliated group are not sales. An "affiliated group" means two or more persons related in such a way that one person owns or controls the business operation of another member of the group. In the case of corporations with stock, one corporation owns or controls another if it owns more than fifty per cent of the other corporation's common stock with voting rights.

(f) Telecommunications service, including prepaid calling service, prepaid wireless calling service, or ancillary service, is or is to be provided, but not including coin-operated telephone service;

(g) Landscaping and lawn care service is or is to be provided;

(h) Private investigation and security service is or is to be provided;

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(i) Information services or tangible personal property is provided or ordered by means of a nine hundred telephone call;

(j) Building maintenance and janitorial service is or is to be provided;

(k) Employment service is or is to be provided;

(l) Employment placement service is or is to be provided;

(m) Exterminating service is or is to be provided;

(n) Physical fitness facility service is or is to be provided;

(o) Recreation and sports club service is or is to be provided;

(p) On and after August 1, 2003, satellite broadcasting service is or is to be provided;

(q) On and after August 1, 2003, personal care service is or is to be provided to an individual. As used in this division, "personal care service" includes skin care, the application of cosmetics, manicuring, pedicuring, hair removal, tattooing, body piercing, tanning, massage, and other similar services. "Personal care service" does not include a service provided by or on the order of a licensed physician or licensed chiropractor, or the cutting, coloring, or styling of an individual's hair.

(r) On and after August 1, 2003, the transportation of persons by motor vehicle or aircraft is or is to be provided, when the transportation is entirely within this state, except for transportation provided by an ambulance service, by a transit bus, as defined in section 5735.01 of the Revised Code, and transportation provided by a citizen of the United States holding a certificate of public convenience and necessity issued under 49 U.S.C. 41102;

(s) On and after August 1, 2003, motor vehicle towing service is or is to be provided. As used in this division, "motor vehicle towing service" means the towing or conveyance of a wrecked, disabled, or illegally parked motor vehicle.

(t) On and after August 1, 2003, snow removal service is or is to be provided. As used in this division, "snow removal service" means the removal of snow by any mechanized means, but does not include the providing of such service by a person that has less than five thousand dollars in sales of such service during the calendar year.

~~(u) Electronic publishing service is or is to be provided to a consumer for use in business, except that such transactions occurring between members of an affiliated group, as defined in division (B)(3)(c) of this section, are not sales.~~

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(4) All transactions by which printed, imprinted, overprinted, lithographic, multilithic, blueprinted, photostatic, or other productions or reproductions of written or graphic matter are or are to be furnished or

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matter for the purpose of distributing it or having it distributed to the public or to a designated segment of the public, free of charge, that person is the consumer of all tangible personal property and services purchased for use or consumption in the production of that printed matter. That person is not entitled to claim exemption under division (B)(42)(f) of section 5739.02 of the Revised Code for any material incorporated into the printed matter or any equipment, supplies, or services primarily used to produce the printed matter.

(c) The distribution of printed matter to the public or to a designated segment of the public, free of charge, is not a sale to the members of the public to whom the printed matter is distributed or to any persons who purchase space in the printed matter for advertising or other purposes.

(5) A person who makes sales of any of the services listed in division (B)(3) of this section is the consumer of any tangible personal property used in performing the service. The purchase of that property is not subject to the resale exception under division (E)~~(1)~~ of this section.

(6) A person who engages in highway transportation for hire is the consumer of all packaging materials purchased by that person and used in performing the service, except for packaging materials sold by such person in a transaction separate from the service.

(7) In the case of a transaction for health care services under division (B)(11) of this section, a medicaid health insuring corporation is the consumer of such services. The purchase of such services by a medicaid health insuring corporation is not subject to the exception for resale under division (E)~~(1)~~ of this section or to the exemptions provided under divisions (B)(12), (18), (19), and (22) of section 5739.02 of the Revised Code.

(E) "Retail sale" and "sales at retail" include all sales, except those in which the purpose of the consumer is to resell the thing transferred or benefit of the service provided, by a person engaging in business, in the form in which the same is, or is to be, received by the person.

(F) "Business" includes any activity engaged in by any person with the object of gain, benefit, or advantage, either direct or indirect. "Business" does not include the activity of a person in managing and investing the person's own funds.

(G) "Engaging in business" means commencing, conducting, or continuing in business, and liquidating a business when the liquidator thereof holds itself out to the public as conducting such business. Making a casual sale is not engaging in business.

(H)(1)(a) "Price," except as provided in divisions (H)(2), (3), ~~and~~ (4) and (5) of this section, means the total amount of consideration, including

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(5) In the case of transactions for optical aids or components thereof that are sold by a vendor licensed under Chapter 4725. or 4731. of the Revised Code or otherwise authorized to dispense optical aids or components under the laws of another state, country, or province, "price" has the same meaning as in division (H)(1) of this section, reduced by six hundred fifty dollars.

As used in division (H)(5) of this section:

(a) "Optical aid" means eyeglasses, contact lenses, or other instruments or devices that may aid or correct human vision and that have been prescribed by a physician or optometrist licensed by any state, country, or province.

(b) "Eyeglasses" includes lenses and frames into which lenses have been installed if the lenses have been prescribed by a physician or optometrist licensed by any state, country, or province.

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(I) "Receipts" means the total amount of the prices of the sales of vendors, provided that the dollar value of gift cards distributed pursuant to an awards, loyalty, or promotional program, and cash discounts allowed and taken on sales at the time they are consummated are not included, minus any amount deducted as a bad debt pursuant to section 5739.121 of the Revised Code. "Receipts" does not include the sale price of property returned or services rejected by consumers when the full sale price and tax are refunded either in cash or by credit.

(J) "Place of business" means any location at which a person engages in business.

(K) "Premises" includes any real property or portion thereof upon which any person engages in selling tangible personal property at retail or making retail sales and also includes any real property or portion thereof designated for, or devoted to, use in conjunction with the business engaged in by such person.

(L) "Casual sale" means a sale of an item of tangible personal property that was obtained by the person making the sale, through purchase or otherwise, for the person's own use and was previously subject to any state's taxing jurisdiction on its sale or use, and includes such items acquired for the seller's use that are sold by an auctioneer employed directly by the person for such purpose, provided the location of such sales is not the auctioneer's permanent place of business. As used in this division, "permanent place of business" includes any location where such auctioneer has conducted more than two auctions during the year.

(M) "Hotel" means every establishment kept, used, maintained, advertised, or held out to the public to be a place where sleeping accommodations are offered to guests, in which five or more rooms are used

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For transactions occurring on or after the effective date of the amendment of this section by H.B. 157 of the 127th general assembly, December 21, 2007, "electronic information services" does not include electronic publishing ~~as defined in division (LLL) of this section.~~ JRK

(d) "Electronic publishing" and "electronic publishing services" means providing access to one or more of the following primarily for business customers, including the federal government or a state government or a political subdivision thereof, to conduct research: news; business, financial, legal, consumer, or credit materials; editorials, columns, reader commentary, or features; photos or images; archival or research material; legal notices, identity verification, or public records; scientific, educational, instructional, technical, professional, trade, or other literary materials; or other similar information which has been gathered and made available by the provider to the consumer in an electronic format. Providing electronic publishing services includes the functions necessary for the acquisition, formatting, editing, storage, and dissemination of data or information that is the subject of a sale. JRK

(e) "Automatic data processing, computer services, electronic publishing services, or electronic information services" shall not include personal or professional services. JRK JRK

(2) As used in ~~divisions (B)(3)(e) and~~ division (Y)(1) of this section, "personal and professional services" means all services other than automatic data processing, computer services, electronic publishing services, or electronic information services, including but not limited to: JRK JRK

(a) Accounting and legal services such as advice on tax matters, asset management, budgetary matters, quality control, information security, and auditing and any other situation where the service provider receives data or information and studies, alters, analyzes, interprets, or adjusts such material;

(b) Analyzing business policies and procedures;

(c) Identifying management information needs;

(d) Feasibility studies, including economic and technical analysis of existing or potential computer hardware or software needs and alternatives;

(e) Designing policies, procedures, and custom software for collecting business information, and determining how data should be summarized, sequenced, formatted, processed, controlled, and reported so that it will be meaningful to management;

(f) Developing policies and procedures that document how business events and transactions are to be authorized, executed, and controlled;

(g) Testing of business procedures;

(h) Training personnel in business procedure applications;

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(i) Providing credit information to users of such information by a consumer reporting agency, as defined in the "Fair Credit Reporting Act," 84 Stat. 1114, 1129 (1970), 15 U.S.C. 1681a(f), or as hereafter amended, including but not limited to gathering, organizing, analyzing, recording, and furnishing such information by any oral, written, graphic, or electronic medium;

(j) Providing debt collection services by any oral, written, graphic, or electronic means;

(k) Providing digital advertising services.

The services listed in divisions (Y)(2)(a) to (k) of this section are not automatic data processing ~~or~~, computer services, electronic publishing services, or electronic information services. JK JRK

(Z) "Highway transportation for hire" means the transportation of personal property belonging to others for consideration by any of the following:

(1) The holder of a permit or certificate issued by this state or the United States authorizing the holder to engage in transportation of personal property belonging to others for consideration over or on highways, roadways, streets, or any similar public thoroughfare;

(2) A person who engages in the transportation of personal property belonging to others for consideration over or on highways, roadways, streets, or any similar public thoroughfare but who could not have engaged in such transportation on December 11, 1985, unless the person was the holder of a permit or certificate of the types described in division (Z)(1) of this section;

(3) A person who leases a motor vehicle to and operates it for a person described by division (Z)(1) or (2) of this section.

(AA)(1) "Telecommunications service" means the electronic transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals to a point, or between or among points. "Telecommunications service" includes such transmission, conveyance, or routing in which computer processing applications are used to act on the form, code, or protocol of the content for purposes of transmission, conveyance, or routing without regard to whether the service is referred to as voice-over internet protocol service or is classified by the federal communications commission as enhanced or value-added. "Telecommunications service" does not include any of the following:

(a) Data processing and information services that allow data to be generated, acquired, stored, processed, or retrieved and delivered by an electronic transmission to a consumer where the consumer's primary

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(KKK)(1)(e) of this section, and offered by the program manager to the fractional owners, including, at a minimum, the establishment and implementation of safety guidelines; the coordination of the scheduling of the program aircraft and crews; program aircraft maintenance; program aircraft insurance; crew training for crews employed, furnished, or contracted by the program manager or the fractional owner; the satisfaction of record-keeping requirements; and the development and use of an operations manual and a maintenance manual for the fractional aircraft ownership program.

(e) "Program manager" means the person that offers management services to fractional owners pursuant to a management services agreement under division (KKK)(1)(e) of this section.

(LLL) ~~"Electronic publishing" means providing access to one or more of the following primarily for business customers, including the federal government or a state government or a political subdivision thereof, to conduct research: news; business, financial, legal, consumer, or credit materials; editorials, columns, reader commentary, or features; photos or images; archival or research material; legal notices, identity verification, or public records; scientific, educational, instructional, technical, professional, trade, or other literary materials; or other similar information which has been gathered and made available by the provider to the consumer in an electronic format. Providing electronic publishing includes the functions necessary for the acquisition, formatting, editing, storage, and dissemination of data or information that is the subject of a sale.~~ JF

~~(MMM)~~ "Medicaid health insuring corporation" means a health insuring corporation that holds a certificate of authority under Chapter 1751. of the Revised Code and is under contract with the department of ~~job and family services~~ medicaid pursuant to section ~~5111.17~~ 5167.10 of the Revised Code.

~~(NNN)~~(MMM) "Managed care premium" means any premium, capitation, or other payment a medicaid health insuring corporation receives for providing or arranging for the provision of health care services to its members or enrollees residing in this state. JRK

~~(OOO)~~(NNN) "Captive deer" means deer and other cervidae that have been legally acquired, or their offspring, that are privately owned for agricultural or farming purposes. JRK

~~(PPP)~~(OOO) "Gift card" means a document, card, certificate, or other record, whether tangible or intangible, that may be redeemed by a consumer for a dollar value when making a purchase of tangible personal property or services. JRK

~~(QQQ)~~(PPP) "Specified digital product" means an electronically JRK

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transferred digital audiovisual work, digital audio work, or digital book.

As used in division (~~QQQ~~)(PPP) of this section:

(1) "Digital audiovisual work" means a series of related images that, when shown in succession, impart an impression of motion, together with accompanying sounds, if any.

(2) "Digital audio work" means a work that results from the fixation of a series of musical, spoken, or other sounds, including digitized sound files that are downloaded onto a device and that may be used to alert the customer with respect to a communication.

(3) "Digital book" means a work that is generally recognized in the ordinary and usual sense as a book.

(4) "Electronically transferred" means obtained by the purchaser by means other than tangible storage media.

(~~RRR~~)(QQQ) "Digital advertising services" means providing access, by means of telecommunications equipment, to computer equipment that is used to enter, upload, download, review, manipulate, store, add, or delete data for the purpose of electronically displaying, delivering, placing, or transferring promotional advertisements to potential customers about products or services or about industry or business brands.

~~(SSS) "Municipal gas utility" means a municipal corporation that owns or operates a system for the distribution of natural gas.~~

Sec. 5739.02. For the purpose of providing revenue with which to meet the needs of the state, for the use of the general revenue fund of the state, for the purpose of securing a thorough and efficient system of common schools throughout the state, for the purpose of affording revenues, in addition to those from general property taxes, permitted under constitutional limitations, and from other sources, for the support of local governmental functions, and for the purpose of reimbursing the state for the expense of administering this chapter, an excise tax is hereby levied on each retail sale made in this state.

(A)(1) The tax shall be collected as provided in section 5739.025 of the Revised Code. The rate of the tax shall be five and three-fourths per cent. The tax applies and is collectible when the sale is made, regardless of the time when the price is paid or delivered.

(2) In the case of the lease or rental, with a fixed term of more than thirty days or an indefinite term with a minimum period of more than thirty days, of any motor vehicles designed by the manufacturer to carry a load of not more than one ton, watercraft, outboard motor, or aircraft, or of any tangible personal property, other than motor vehicles designed by the manufacturer to carry a load of more than one ton, to be used by the lessee

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provided in section 5739.02 of the Revised Code and in addition shall not be applicable to sales not within the taxing power of a county under the Constitution of the United States or the Ohio Constitution.

(G) Upon receipt from a board of county commissioners of a certified copy of a resolution required by division (A) of this section, or from the board of elections a notice of the results of an election required by division (D)(1), (2)(a), (b), or (c) of this section, the tax commissioner shall provide notice of a tax rate change in a manner that is reasonably accessible to all affected vendors. The commissioner shall provide this notice at least sixty days prior to the effective date of the rate change. The commissioner, by rule, may establish the method by which notice will be provided.

Sec. 5739.029. (A) Notwithstanding sections 5739.02, 5739.021, 5739.023, 5739.026, 5741.02, 5741.021, 5741.022, and 5741.023 of the Revised Code, and except as otherwise provided in division (B) of this section, the tax due under this chapter on the sale of a motor vehicle required to be titled under Chapter 4505. of the Revised Code by a motor vehicle dealer to a consumer that is a nonresident of this state shall be the lesser of the amount of tax that would be due under this chapter and Chapter 5741. of the Revised Code if the total combined rate were six per cent, or the amount of tax that would be due to the state in which the consumer titles or registers the motor vehicle or to which the consumer removes the vehicle for use.

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(B) No tax is due under this section, any other section of this chapter, or Chapter 5741. of the Revised Code under any of the following circumstances:

(1)(a) The consumer intends to immediately remove the motor vehicle from this state for use outside this state;

(b) Upon removal of the motor vehicle from this state, the consumer intends to title or register the vehicle in another state if such titling or registration is required;

(c) The consumer executes an affidavit as required under division (C) of this section affirming the consumer's intentions under divisions (B)(1)(a) and (b) of this section; and

(d) The state in which the consumer titles or registers the motor vehicle or to which the consumer removes the vehicle for use provides an exemption under circumstances substantially similar to those described in division (B)(1) of this section.

(2) The state in which the consumer titles or registers the motor vehicle or to which the consumer removes the vehicle for use does not provide a credit against its sales or use tax or similar excise tax for sales or use tax

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paid to this state.

(3) The state in which the consumer titles or registers the motor vehicle or to which the consumer removes the vehicle for use does not impose a sales or use tax or similar excise tax on the ownership or use of motor vehicles.

(C) Any nonresident consumer that purchases a motor vehicle from a motor vehicle dealer in this state under the circumstances described in divisions (B)(1)(a) and (b) of this section shall execute an affidavit affirming the intentions described in those divisions. The affidavit shall be executed in triplicate and in the form specified by the tax commissioner. The affidavit shall be given to the motor vehicle dealer.

A motor vehicle dealer that accepts in good faith an affidavit presented under this division by a nonresident consumer may rely upon the representations made in the affidavit.

(D) A motor vehicle dealer making a sale subject to the tax under division (A) of this section shall collect the tax due unless the sale is subject to the exception under division (B) of this section or unless the sale is not otherwise subject to taxes levied under sections 5739.02, 5739.021, 5739.023, 5739.026, 5741.02, 5741.021, 5741.022, and 5741.023 of the Revised Code. In the case of a sale under the circumstances described in division (B)(1) of this section, the dealer shall retain one copy of the affidavit and file the original and the other copy with the clerk of the court of common pleas. If tax is due under division (A) of this section, the dealer shall remit the tax collected ~~to the clerk at the time the dealer obtains the Ohio certificate of title in the name of the consumer~~ as required under section 4505.06 of the Revised Code. The clerk shall forward the original affidavit to the tax commissioner in the manner prescribed by the commissioner.

Unless a sale is excepted from taxation under division (B) of this section or the dealer makes an election under division (B)(5) of section 4505.06 of the Revised Code, upon receipt of an application for certificate of title a clerk of the court of common pleas shall collect the sales tax due under division (A) of this section. ~~The clerk shall~~ and remit the tax collected to the tax commissioner in the manner prescribed by the commissioner.

(E) If a motor vehicle is purchased by a corporation described in division (B)(6) of section 5739.01 of the Revised Code, the state of residence of the consumer for the purposes of this section is the state of residence of the corporation's principal shareholder.

(F) Any provision of this chapter or of Chapter 5741. of the Revised Code that is not inconsistent with this section applies to sales described in

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division (A) of this section.

(G) As used in this section:

(1) For the purposes of this section only, the sale or purchase of a motor vehicle does not include a lease or rental of a motor vehicle subject to division (A)(2) or (3) of section 5739.02 or division (A)(2) or (3) of section 5741.02 of the Revised Code;

(2) "State," except in reference to "this state," means any state, district, commonwealth, or territory of the United States and any province of Canada.

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Sec. 5739.033. (A) The amount of tax due pursuant to sections 5739.02, 5739.021, 5739.023, and 5739.026 of the Revised Code is the sum of the taxes imposed pursuant to those sections at the sourcing location of the sale as determined under this section or, if applicable, under division (C) of section 5739.031 or section 5739.034 of the Revised Code. This section applies only to a vendor's or seller's obligation to collect and remit sales taxes under section 5739.02, 5739.021, 5739.023, or 5739.026 of the Revised Code or use taxes under section 5741.02, 5741.021, 5741.022, or 5741.023 of the Revised Code. Division (A) of this section does not apply in determining the jurisdiction for which sellers are required to collect the use tax under section 5741.05 of the Revised Code. This section does not affect the obligation of a consumer to remit use taxes on the storage, use, or other consumption of tangible personal property or on the benefit realized of any service provided, to the jurisdiction of that storage, use, or consumption, or benefit realized.

(B)(1) Beginning January 1, 2010, retail sales, excluding the lease or rental, of tangible personal property or digital goods shall be sourced to the location where the vendor receives an order for the sale of such property or goods if:

(a) The vendor receives the order in this state and the consumer receives the property or goods in this state;

(b) The location where the consumer receives the property or goods is determined under division (C)(2), (3), or (4) of this section; and

(c) The record-keeping system used by the vendor to calculate the tax imposed captures the location where the order is received at the time the order is received.

(2) A consumer has no additional liability to this state under this chapter or Chapter 5741. of the Revised Code for tax, penalty, or interest on a sale for which the consumer remits tax to the vendor in the amount invoiced by the vendor if the invoice amount is calculated at either the rate applicable to the location where the consumer receives the property or digital good or at

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used exclusively to foster and develop tourism in the tourism development district.

(2) Notwithstanding division (A) of this section, any ordinance or resolution levying a lodging tax adopted on or after the effective date of the amendment of this section by a county, township, or municipal corporation in which any part of a tourism development district is located on or after that date shall require that all tourism development district lodging tax proceeds from that tax be used exclusively to foster and develop tourism in the tourism development district.

(3) A county shall not use any of the proceeds described in division (N)(1)(a) or (N)(2) of this section unless the convention and visitors' bureau operating within the county approves the manner in which such proceeds are used to foster and develop tourism in the tourism development district. Upon obtaining such approval, the county may pay such proceeds to the bureau to use for the agreed-upon purpose.

A municipal corporation or township shall not use any of the proceeds described in division (N)(1)(b) or (N)(2) of this section unless the convention and visitors' bureau operating within the municipal corporation or township approves the manner in which such proceeds are used to foster and develop tourism in the tourism development district. Upon obtaining such approval, the municipal corporation or township may pay such proceeds to the bureau to use for the agreed-upon purpose.

(4) As used in division (N) of this section:

(a) "Tourism development district" means a district designated by a municipal corporation under section 715.014 of the Revised Code or by a township under section 503.56 of the Revised Code.

(b) "Lodging tax" means a tax levied pursuant to this section or section 5739.08 of the Revised Code.

(c) "Tourism development district lodging tax proceeds" means all proceeds of a lodging tax derived from transactions by which lodging by a hotel located in a tourism development district is or is to be provided to transient guests.

Sec. 5739.12. (A)(1) Each person who has or is required to have a vendor's license, on or before the twenty-third day of each month, shall make and file a return for the preceding month in the form prescribed by the tax commissioner, and shall pay the tax shown on the return to be due. The return shall be filed electronically using the Ohio business gateway, as defined in section 718.01 of the Revised Code, the Ohio telefile system, or any other electronic means prescribed by the commissioner. Payment of the tax shown on the return to be due shall be made electronically in a manner

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approved by the commissioner. The commissioner may require a vendor that operates from multiple locations or has multiple vendor's licenses to report all tax liabilities on one consolidated return. The return shall show the amount of tax due from the vendor to the state for the period covered by the return and such other information as the commissioner deems necessary for the proper administration of this chapter. The commissioner may extend the time for making and filing returns and paying the tax, and may require that the return for the last month of any annual or semiannual period, as determined by the commissioner, be a reconciliation return detailing the vendor's sales activity for the preceding annual or semiannual period. The reconciliation return shall be filed by the last day of the month following the last month of the annual or semiannual period. The commissioner may remit all or any part of amounts or penalties that may become due under this chapter and may adopt rules relating thereto. Such return shall be filed electronically as directed by the tax commissioner, and payment of the amount of tax shown to be due thereon, after deduction of any discount provided for under this section, shall be made electronically in a manner approved by the tax commissioner.

(2) Any person required to file returns and make payments electronically under division (A)(1) of this section may apply to the tax commissioner on a form prescribed by the commissioner to be excused from that requirement. For good cause shown, the commissioner may excuse the person from that requirement and may permit the person to file the returns and make the payments required by this section by nonelectronic means.

(B)(1) If the return is filed and the amount of tax shown thereon to be due is paid on or before the date such return is required to be filed, the vendor shall be entitled to a discount of three-fourths of one per cent of the amount shown to be due on the return.

(2) A vendor that has selected a certified service provider as its agent shall not be entitled to the discount if the certified service provider receives a monetary allowance pursuant to section 5739.06 of the Revised Code for performing the vendor's sales and use tax functions in this state. Amounts paid to the clerk of courts pursuant to section 4505.06 of the Revised Code shall be subject to the applicable discount. The discount shall be in consideration for prompt payment to the clerk of courts and for other services performed by the vendor in the collection of the tax.

(C)(1) Upon application to the tax commissioner, a vendor who is required to file monthly returns may be relieved of the requirement to report and pay the actual tax due, provided that the vendor agrees to remit to the commissioner payment of not less than an amount determined by the

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commissioner to be the average monthly tax liability of the vendor, based upon a review of the returns or other information pertaining to such vendor for a period of not less than six months nor more than two years immediately preceding the filing of the application. Vendors who agree to the above conditions shall make and file an annual or semiannual reconciliation return, as prescribed by the commissioner. The reconciliation return shall be filed electronically as directed by the tax commissioner, and payment of the amount of tax shown to be due thereon, after deduction of any discount provided in this section, shall be made electronically in a manner approved by the commissioner. Failure of a vendor to comply with any of the above conditions may result in immediate reinstatement of the requirement of reporting and paying the actual tax liability on each monthly return, and the commissioner may at the commissioner's discretion deny the vendor the right to report and pay based upon the average monthly liability for a period not to exceed two years. The amount ascertained by the commissioner to be the average monthly tax liability of a vendor may be adjusted, based upon a review of the returns or other information pertaining to the vendor for a period of not less than six months nor more than two years preceding such adjustment.

(2) The commissioner may authorize vendors whose tax liability is not such as to merit monthly returns, as ascertained by the commissioner upon the basis of administrative costs to the state, to make and file returns at less frequent intervals. When returns are filed at less frequent intervals in accordance with such authorization, the vendor shall be allowed the discount provided in this section in consideration for prompt payment with the return, provided the return is filed and payment is made of the amount of tax shown to be due thereon, at the time specified by the commissioner, but a vendor that has selected a certified service provider as its agent shall not be entitled to the discount.

(3) A motor vehicle dealer that makes an election under division (B)(5) of section 4505.06 of the Revised Code to remit the tax due under Chapters 5739. and 5741. of the Revised Code directly to the commissioner shall, in addition to the returns and payments required by this section, submit to the commissioner a monthly report as required by this division. The report shall be filed on or before the twenty-third day of each month following a month in which the dealer's election was active under division (B)(5)(b) of section 4505.06 of the Revised Code. The report shall be submitted in the format required by the commissioner and shall identify all of the following information, organized by vendor's license, for each motor vehicle sold in the preceding calendar month regardless of whether the vehicle was titled

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with a clerk in that month:

(a) The dealer's license number issued pursuant to Chapter 4517. of the Revised Code;

(b) The vehicle identification number;

(c) The purchase price;

(d) The tax due under Chapters 5739. and 5741. of the Revised Code;

(e) The date of the sale;

(f) The purchaser's county of residence;

(g) The date the certificate of title was issued by a clerk, if applicable;

(h) The title number, if applicable;

(i) If the sale of the vehicle is exempt from taxation, the reason for such exemption;

(j) Notification if the title was voided by the new motor vehicle dealer of the clerk;

(k) Any additional information the commissioner requires.

(D) Any vendor who fails to file a return or to pay the full amount of the tax shown on the return to be due in the manner prescribed under this section and the rules of the commissioner may, for each such return, be required to forfeit and pay into the state treasury an additional charge not exceeding fifty dollars or ten per cent of the tax required to be paid for the reporting period, whichever is greater, as revenue arising from the tax imposed by this chapter, and such sum may be collected by assessment in the manner provided in section 5739.13 of the Revised Code. The commissioner may remit all or a portion of the additional charge and may adopt rules relating to the imposition and remission of the additional charge.

(E) If the amount required to be collected by a vendor from consumers is in excess of the applicable percentage of the vendor's receipts from sales that are taxable under section 5739.02 of the Revised Code, or in the case of sales subject to a tax levied pursuant to section 5739.021, 5739.023, or 5739.026 of the Revised Code, in excess of the percentage equal to the aggregate rate of such taxes and the tax levied by section 5739.02 of the Revised Code, such excess shall be remitted along with the remittance of the amount of tax due under section 5739.10 of the Revised Code.

(F) The commissioner, if the commissioner deems it necessary in order to insure the payment of the tax imposed by this chapter, may require returns and payments to be made for other than monthly periods.

(G) Any vendor required to file a return and pay the tax under this section whose total payment for a year equals or exceeds the amount shown in division (A) of section 5739.122 of the Revised Code is subject to the accelerated tax payment requirements in divisions (B) and (C) of that

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section. For a vendor that operates from multiple locations or has multiple vendor's licenses, in determining whether the vendor's total payment equals or exceeds the amount shown in division (A) of that section, the vendor's total payment amount shall be the amount of the vendor's total tax liability for the previous calendar year for all of the vendor's locations or licenses.

Sec. 5739.122. (A) If the total amount of tax required to be paid by a vendor under section 5739.12 of the Revised Code for any calendar year equals or exceeds seventy-five thousand dollars, the vendor shall remit each monthly tax payment in the second ensuing and each succeeding tax year on an accelerated basis as prescribed by divisions (B) and (C) of this section.

If a vendor's tax payment for each of two consecutive years is less than seventy-five thousand dollars, the vendor is relieved of the requirement to remit taxes in the manner prescribed by this section for the year that next follows the second of the consecutive years in which the tax payment is less than that amount, and is relieved of that requirement for each succeeding year, unless the tax payment in a subsequent year equals or exceeds seventy-five thousand dollars.

The tax commissioner shall notify each vendor required to make accelerated tax payments of the vendor's obligation to do so and shall maintain an updated list of those vendors. Failure by the tax commissioner to notify a vendor subject to this section to remit taxes on an accelerated basis does not relieve the vendor of its obligation to remit taxes as provided under division (B) of this section.

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(B) Vendors required by division (A) of this section to make accelerated tax payments shall electronically remit such payments to the tax commissioner in a manner approved by the commissioner, as follows:

(1) On or before the twenty-third day of each month, a vendor shall remit an amount equal to seventy-five per cent of the anticipated tax liability for that month.

(2) On or before the twenty-third day of each month, a vendor shall report the taxes collected for the previous month and shall remit that amount, less any amounts paid for that month as required by division (B)(1) of this section.

The payment of taxes on an accelerated basis under this section does not affect a vendor's obligation to file returns and pay the tax shown on the returns to be due as required under section 5739.12 of the Revised Code.

(C) A vendor required by this section to remit taxes on an accelerated basis may apply to the tax commissioner, in the manner prescribed by the commissioner, to be excused from that requirement. The commissioner may excuse the vendor from remittance on an accelerated basis for good cause

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shown for the period of time requested by the vendor or for a portion of that period.

(D)(1)(a) If a vendor that is required to remit payments under division (B) of this section fails to make a payment required under division (B)(1) of this section, or makes a payment under division (B)(1) of this section that is less than seventy-five per cent of the actual liability for that month, the commissioner may impose an additional charge not to exceed five per cent of that unpaid amount.

(b) Division (D)(1)(a) of this section does not apply if the vendor's payment under division (B)(1) of this section is equal to or greater than seventy-five per cent of the vendor's reported liability for the same month in the immediately preceding calendar year.

(c) In each of the first twelve months following a new or used motor vehicle dealer's election under division (B)(5) of section 4505.06 of the Revised Code to report and remit tax directly to the state, division (D)(1)(a) of this section does not apply if the dealer's payment under division (B)(1) of this section is equal to or greater than seventy-five per cent of the dealer's sales tax payments to the clerk of courts under division (A)(5) of section 4505.06 of the Revised Code for the same month in the immediately preceding calendar year.

(2) Any additional charge imposed under division (D)(1) of this section is in addition to any other penalty or charge imposed under this chapter, and shall be considered as revenue arising from taxes imposed under this chapter. An additional charge may be collected by assessment in the manner prescribed by section 5739.13 of the Revised Code. The tax commissioner may waive all or a portion of such a charge and may adopt rules governing such waiver.

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Sec. 5739.13. (A) If any vendor collects the tax imposed by or pursuant to section 5739.02, 5739.021, 5739.023, or 5739.026 of the Revised Code, and fails to remit the tax to the state as prescribed, or on the sale of a motor vehicle, watercraft, or outboard motor required to be titled, fails to remit payment to a clerk of a court of common pleas or the state as provided in section 1548.06 or 4505.06 of the Revised Code, the vendor shall be personally liable for any tax collected and not remitted. The tax commissioner may make an assessment against such vendor based upon any information in the commissioner's possession.

If any vendor fails to collect the tax or any consumer fails to pay the tax imposed by or pursuant to section 5739.02, 5739.021, 5739.023, or 5739.026 of the Revised Code, on any transaction subject to the tax, the vendor or consumer shall be personally liable for the amount of the tax

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applicable to the transaction. The commissioner may make an assessment against either the vendor or consumer, as the facts may require, based upon any information in the commissioner's possession.

An assessment against a vendor when the tax imposed by or pursuant to section 5739.02, 5739.021, 5739.023, or 5739.026 of the Revised Code has not been collected or paid, shall not discharge the purchaser's or consumer's liability to reimburse the vendor for the tax applicable to such transaction.

An assessment issued against either, pursuant to this section, shall not be considered an election of remedies, nor a bar to an assessment against the other for the tax applicable to the same transaction, provided that no assessment shall be issued against any person for the tax due on a particular transaction if the tax on that transaction actually has been paid by another.

The commissioner may make an assessment against any vendor who fails to file a return or remit the proper amount of tax required by this chapter, or against any consumer who fails to pay the proper amount of tax required by this chapter. When information in the possession of the commissioner indicates that the amount required to be collected or paid under this chapter is greater than the amount remitted by the vendor or paid by the consumer, the commissioner may audit a sample of the vendor's sales or the consumer's purchases for a representative period, to ascertain the per cent of exempt or taxable transactions or the effective tax rate and may issue an assessment based on the audit. The commissioner shall make a good faith effort to reach agreement with the vendor or consumer in selecting a representative sample.

The commissioner may make an assessment, based on any information in the commissioner's possession, against any person who fails to file a return or remit the proper amount of tax required by section 5739.102 of the Revised Code.

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The commissioner may issue an assessment on any transaction for which any tax imposed under this chapter or Chapter 5741. of the Revised Code was due and unpaid on the date the vendor or consumer was informed by an agent of the tax commissioner of an investigation or audit. If the vendor or consumer remits any payment of the tax for the period covered by the assessment after the vendor or consumer was informed of the investigation or audit, the payment shall be credited against the amount of the assessment.

The commissioner shall give the party assessed written notice of the assessment in the manner provided in section 5703.37 of the Revised Code. With the notice, the commissioner shall provide instructions on how to petition for reassessment and request a hearing on the petition.

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(B) Unless the party assessed files with the commissioner within sixty days after service of the notice of assessment, either personally or by certified mail, a written petition for reassessment, signed by the party assessed or that party's authorized agent having knowledge of the facts, the assessment becomes final and the amount of the assessment is due from the party assessed and payable to the treasurer of state and remitted to the tax commissioner. The petition shall indicate the objections of the party assessed, but additional objections may be raised in writing if received by the commissioner prior to the date shown on the final determination. If the petition has been properly filed, the commissioner shall proceed under section 5703.60 of the Revised Code.

(C) After an assessment becomes final, if any portion of the assessment remains unpaid, including accrued interest, a certified copy of the commissioner's entry making the assessment final may be filed in the office of the clerk of the court of common pleas in the county in which the place of business of the party assessed is located or the county in which the party assessed resides. If the party assessed maintains no place of business in this state and is not a resident of this state, the certified copy of the entry may be filed in the office of the clerk of the court of common pleas of Franklin county.

Immediately upon the filing of the entry, the clerk shall enter a judgment for the state against the party assessed in the amount shown on the entry. The judgment may be filed by the clerk in a loose-leaf book entitled "special judgments for state, county, and transit authority retail sales tax" or, if appropriate, "special judgments for resort area excise tax," and shall have the same effect as other judgments. Execution shall issue upon the judgment upon the request of the tax commissioner, and all laws applicable to sales on execution shall apply to sales made under the judgment except as otherwise provided in this chapter.

If the assessment is not paid in its entirety within sixty days after the date the assessment was issued, the portion of the assessment consisting of tax due shall bear interest at the rate per annum prescribed by section 5703.47 of the Revised Code from the day the tax commissioner issues the assessment until the assessment is paid or until it is certified to the attorney general for collection under section 131.02 of the Revised Code, whichever comes first. If the unpaid portion of the assessment is certified to the attorney general for collection, the entire unpaid portion of the assessment shall bear interest at the rate per annum prescribed by section 5703.47 of the Revised Code from the date of certification until the date it is paid in its entirety. Interest shall be paid in the same manner as the tax and may be

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collected by issuing an assessment under this section.

(D) All money collected by the tax commissioner under this section shall be paid to the treasurer of state, and when paid shall be considered as revenue arising from the taxes imposed by or pursuant to sections 5739.01 to 5739.31 of the Revised Code.

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Sec. 5739.132. (A) If a tax ~~payment originally~~, fee, or charge due under this chapter or Chapter 128. or 5741. of the Revised Code ~~on or after January 1, 1998,~~ is not paid on or before the day the ~~tax~~ payment is required to be paid, interest shall accrue on the unpaid tax, fee, or charge at the rate per annum prescribed by section 5703.47 of the Revised Code from the day the tax, fee, or charge was required to be paid until the tax, fee, or charge is paid or until the day an assessment is issued under section 5739.13 or 5739.15 of the Revised Code, whichever occurs first. Interest shall be paid in the same manner as the tax, fee, or charge, and may be collected by assessment.

(B) ~~For tax payments due prior to January 1, 1998, interest shall be allowed and paid upon any refund granted in respect to the payment of an illegal or erroneous assessment issued by the department for the tax imposed under this chapter or Chapter 5741. of the Revised Code from the date of the overpayment. For tax payments due on or after January 1, 1998, interest~~ Interest shall be allowed and paid on any refund granted pursuant to section 128.47, 5739.07, or 5741.10 of the Revised Code from the date of the overpayment. The interest shall be computed at the rate per annum prescribed by section 5703.47 of the Revised Code.

Sec. 5739.17. (A) No person shall engage in making retail sales subject to a tax imposed by or pursuant to section 5739.02, 5739.021, 5739.023, or 5739.026 of the Revised Code as a business without having a license therefor, except as otherwise provided in divisions (A)(1), (2), and (3) of this section.

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(1) In the dissolution of a partnership by death, the surviving partner may operate under the license of the partnership for a period of sixty days.

(2) The heirs or legal representatives of deceased persons, and receivers and trustees in bankruptcy, appointed by any competent authority, may operate under the license of the person so succeeded in possession.

(3) Two or more persons who are not partners may operate a single place of business under one license. In such case neither the retirement of any such person from business at that place of business, nor the entrance of any person, under an existing arrangement, shall affect the license or require the issuance of a new license, unless the person retiring from the business is the individual named on the vendor's license.

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Except as otherwise provided in this section, each applicant for a license shall make out and deliver to the county auditor of each county in which the applicant desires to engage in business, upon a blank to be furnished by such auditor for that purpose, a statement showing the name of the applicant, each place of business in the county where the applicant will make retail sales, the nature of the business, and any other information the tax commissioner reasonably prescribes in the form of a statement prescribed by the commissioner.

At the time of making the application, the applicant shall pay into the county treasury a license fee in the sum of twenty-five dollars for each fixed place of business in the county that will be the situs of retail sales. Upon receipt of the application and exhibition of the county treasurer's receipt, showing the payment of the license fee, the county auditor shall issue to the applicant a license for each fixed place of business designated in the application, authorizing the applicant to engage in business at that location.

(B) If a vendor's identity changes, the vendor shall apply for a new license. If a vendor wishes to move an existing fixed place of business to a new location within the same county, the vendor shall obtain a new vendor's license or submit a request to the commissioner to transfer the existing vendor's license to the new location. When the new location has been verified as being within the same county, the commissioner shall authorize the transfer and notify the county auditor of the change of location. If a vendor wishes to move an existing fixed place of business to another county, the vendor's license shall not transfer and the vendor shall obtain a new vendor's license from the county in which the business is to be located. The form of the license shall be prescribed by the commissioner. The fees collected shall be credited to the general fund of the county. If a vendor fails to notify the commissioner of a change of location of its fixed place of business or that its business has closed, the commissioner may cancel the vendor's license if ordinary mail sent to the location shown on the license is returned because of an undeliverable address.

(C) The commissioner may establish or participate in a registration system whereby any vendor may obtain a vendor's license by submitting to the commissioner a vendor's license application and a license fee of twenty-five dollars for each fixed place of business at which the vendor intends to make retail sales. Under this registration system, the commissioner shall issue a vendor's license to the applicant on behalf of the county auditor of the county in which the applicant desires to engage in business, and shall forward a copy of the application and license fee to that county. All such license fees received by the commissioner for the issuance

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of vendor's licenses shall be deposited into the vendor's license application fund, which is hereby created in the state treasury. The commissioner shall certify to the director of budget and management within ten business days after the close of a month the license fees to be transmitted to each county from the vendor's license application fund for vendor's license applications received by the commissioner during that month. License fees transmitted to a county for which payment was not received by the commissioner may be netted against a future distribution to that county, including distributions made pursuant to section 5739.21 of the Revised Code.

A vendor that makes retail sales subject to tax under Chapter 5739. of the Revised Code pursuant to a permit issued by the division of liquor control shall obtain a vendor's license in the identical name and for the identical address as shown on the permit.

Except as otherwise provided in this section, if a vendor has no fixed place of business and sells from a vehicle, each vehicle intended to be used within a county constitutes a place of business for the purpose of this section.

(D) As used in this section, "transient vendor" means any person who makes sales of tangible personal property from vending machines located on land owned by others, who leases titled motor vehicles, titled watercraft, or titled outboard motors, who effectuates leases that are taxed according to division (A)(2) of section 5739.02 of the Revised Code, who sells titled motor vehicles as a motor vehicle dealer and has an active election under division (B)(5) of section 4505.06 of the Revised Code, or who, in the usual course of the person's business, transports inventory, stock of goods, or similar tangible personal property to a temporary place of business or temporary exhibition, show, fair, flea market, or similar event in a county in which the person has no fixed place of business, for the purpose of making retail sales of such property. A "temporary place of business" means any public or quasi-public place including, but not limited to, a hotel, rooming house, storeroom, building, part of a building, tent, vacant lot, railroad car, or motor vehicle that is temporarily occupied for the purpose of making retail sales of goods to the public. A place of business is not temporary if the same person conducted business at the place continuously for more than six months or occupied the premises as the person's permanent residence for more than six months, or if the person intends it to be a fixed place of business.

Any transient vendor~~, in lieu of obtaining a vendor's license under division (A) of this section for counties in which the transient vendor has no fixed place of business,~~ may apply to the tax commissioner, on a form

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prescribed by the commissioner, for a transient vendor's license. The transient vendor's license authorizes the transient vendor to make retail sales in any county in which the transient vendor does not maintain a fixed place of business. Any holder of a transient vendor's license shall not be required to obtain a separate vendor's license from the county auditor in that county. Upon the commissioner's determination that an applicant is a transient vendor, the applicant shall pay a license fee in the amount of twenty-five dollars, at which time the tax commissioner shall issue the license. The tax commissioner may require a vendor to be licensed as a transient vendor if, in the opinion of the commissioner, such licensing is necessary for the efficient administration of the tax.

Any holder of a valid transient vendor's license may make retail sales at a temporary place of business or temporary exhibition, show, fair, flea market, or similar event, held anywhere in the state without complying with any provision of section 311.37 of the Revised Code. Any holder of a valid vendor's license may make retail sales as a transient vendor at a temporary place of business or temporary exhibition, show, fair, flea market, or similar event held in any county in which the vendor maintains a fixed place of business for which the vendor holds a vendor's license without obtaining a transient vendor's license.

(E) Any vendor who is issued a license pursuant to this section shall display the license or a copy of it prominently, in plain view, at every place of business of the vendor.

(F) No owner, organizer, or promoter who operates a fair, flea market, show, exhibition, convention, or similar event at which transient vendors are present shall fail to keep a comprehensive record of all such vendors, listing the vendor's name, permanent address, vendor's license number, and the type of goods sold. Such records shall be kept for four years and shall be open to inspection by the commissioner.

(G) The commissioner may issue additional types of licenses if required to efficiently administer the tax imposed by this chapter.

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Sec. 5739.18. The tax commissioner shall provide and maintain a system that will allow county auditors to issue vendor's licenses. County auditors shall use that system to issue vendor's licenses.

The commissioner shall publish lists of the following information on the department of taxation's web site:

(A) The name, account number, and business address of each holder of a vendor's license issued under section 5739.17 of the Revised Code, and information regarding the active or inactive status of the license;

(B) The name, account number, and business address of each holder of a

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this state as provided in section 5741.02 of the Revised Code, and tangible personal property and services purchased in another county within this state by a transaction subject to the tax imposed by section 5739.02 of the Revised Code.

The tax shall be in effect at the same time and at the same rate and shall be levied pursuant to the resolution of the legislative authority of the transit authority levying a sales tax pursuant to section 5739.023 of the Revised Code.

(B) The tax levied pursuant to this section on the storage, use, or other consumption of tangible personal property and on the benefit of a service realized shall be in addition to the tax levied by section 5741.02 of the Revised Code and, except as provided in division (D) of this section, any tax levied pursuant to sections 5741.021 and 5741.023 of the Revised Code.

(C) The additional tax levied by the authority shall be collected pursuant to section 5739.025 of the Revised Code.

(D) The tax levied pursuant to this section shall not be applicable to any benefit of a service realized or to any storage, use, or consumption of property not within the taxing power of a transit authority under the constitution of the United States or the constitution of this state, or to property or services on which a tax levied by a county or transit authority pursuant to this section or section 5739.021, 5739.023, 5739.026, 5741.021, or 5741.023 of the Revised Code has been paid, if the sum of the taxes paid pursuant to those sections is equal to or greater than the sum of the taxes due under this section and sections 5741.021 and 5741.023 of the Revised Code. If the sum of the taxes paid is less than the sum of the taxes due under this section and sections 5741.021 and 5741.023 of the Revised Code, the amount of tax paid shall be credited against the amount of tax due.

(E) The rate of a tax levied under this section is subject to reduction under section 5739.028 of the Revised Code if a ballot question is approved by voters pursuant to that section.

Sec. 5741.12. (A) Each seller required by section 5741.17 of the Revised Code to register with the tax commissioner, and any seller authorized by the commissioner to collect the tax imposed by or pursuant to section 5741.02, 5741.021, 5741.022, or 5741.023 of the Revised Code is subject to the same requirements and entitled to the same deductions and discount for prompt payments as are vendors under section 5739.12 of the Revised Code, and the same monetary allowances as are vendors under section 5739.06 of the Revised Code. The powers and duties of the commissioner with respect to returns and tax remittances under this section shall be identical with those prescribed in section 5739.12 of the Revised

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Code.

(B) Every person storing, using, or consuming tangible personal property or receiving the benefit of a service, the storage, use, consumption, or receipt of which is subject to the tax imposed by or pursuant to section 5741.02, 5741.021, 5741.022, or 5741.023 of the Revised Code, when such tax was not paid to a seller, shall, on or before the twenty-third day of each month, file with the tax commissioner a return for the preceding month in such form as is prescribed by the commissioner, showing such information as the commissioner deems necessary, and shall pay the tax shown on the return to be due. Remittance shall be made payable to the treasurer of state. The commissioner may require consumers to file returns and pay the tax at other than monthly intervals, if the commissioner determines that such filing is necessary for the efficient administration of the tax. If the commissioner determines that a consumer's tax liability is not such as to merit monthly filing, the commissioner may authorize the consumer to file returns and pay tax at less frequent intervals.

Any consumer required to file a return and pay the tax under this section whose payment for any year equals or exceeds the amount shown in division (A) of section 5741.121 of the Revised Code is subject to the accelerated tax payment requirements in divisions (B) and (C) of that section.

(C) ~~Every~~ Except as provided in division (B)(5) of section 4505.06 of the Revised Code, every person storing, using, or consuming a motor vehicle, watercraft, or outboard motor, the ownership of which must be evidenced by certificate of title, shall file the return required by this section and pay the tax due at or prior to the time of filing an application for certificate of title.

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Sec. 5743.01. As used in this chapter:

(A) "Person" includes individuals, firms, partnerships, associations, joint-stock companies, corporations, combinations of individuals of any form, and the state and any of its political subdivisions.

(B) "Wholesale dealer" includes only those persons:

(1) Who bring in or cause to be brought into this state unstamped cigarettes purchased directly from the manufacturer, producer, or importer of cigarettes for sale in this state but does not include persons who bring in or cause to be brought into this state cigarettes with respect to which no evidence of tax payment is required thereon as provided in section 5743.04 of the Revised Code; or

(2) Who are engaged in the business of selling cigarettes or tobacco products to others for the purpose of resale.

"Wholesale dealer" does not include any cigarette manufacturer, export

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municipal corporations under this division shall be increased on a pro rata basis.

The tax commissioner shall reduce payments under division (C) of this section to municipal corporations for which reduced payments are required under section 5747.502 or 5747.504 of the Revised Code. JRK

(D) Each municipal corporation which has in effect a tax imposed under Chapter 718. of the Revised Code shall, no later than the thirty-first day of August of each year, certify to the tax commissioner, on a form prescribed by the commissioner, the amount of income tax revenue collected and refunded by such municipal corporation pursuant to such chapter during the preceding calendar year, arranged, when possible, by the type of income from which the revenue was collected or the refund was issued. The municipal corporation shall also report the amount of income tax revenue collected and refunded on behalf of a joint economic development district or a joint economic development zone that levies an income tax administered by the municipal corporation and the amount of such revenue distributed to contracting parties during the preceding calendar year. The tax commissioner may withhold payment of local government fund moneys pursuant to division (C) of this section from any municipal corporation for failure to comply with this reporting requirement.

Sec. 5747.502. (A) As used in this section:

(1) "Delinquent subdivision" means a municipal corporation, township, or county that has not filed a report or signed statement under section 4511.0915 of the Revised Code, as required under that section.

(2) "Noncompliant subdivision" means a municipal corporation, township, or county that files a report under division (A)(1) of section 4511.0915 of the Revised Code for the most recent calendar quarter.

(B)(1)(a) Upon receiving notification of a delinquent subdivision under division (C)(2) of section 4511.0915 of the Revised Code, the tax commissioner shall do both of the following:

(i) If the delinquent subdivision is a municipal corporation, cease providing for payments to the municipal corporation under division (C) of section 5747.50 of the Revised Code, beginning with the next required payment;

(ii) Immediately notify the county auditor and county treasurer required to provide for payments to the delinquent subdivision from a county undivided local government fund that such payments are to cease until the tax commissioner notifies the auditor and treasurer under division (B)(3)(a)(ii) of this section.

(b) A county treasurer receiving the notice under division (B)(1)(a)(ii)

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qualifying village in the state receives an equal amount.

(b) An amount equal to eight and thirty-three one-hundredths per cent of one million dollars shall be divided among every county fund so that each qualifying village receives a proportionate share based on the proportion that the total village road miles in the qualifying village is of the total village road miles in all qualifying villages in the state.

(C) The tax commissioner shall separately identify to the county treasurer the amounts to be allocated to each township under divisions (A)(1) and (2) of this section and to each qualifying village under divisions (B)(2)(a) and (b) of this section. The treasurer shall transfer those amounts to townships and qualifying villages from the undivided local government fund.

(D) The tax commissioner shall update the road mile information used to determine payments under divisions (A) and (B) of this section at least once every five years, and may update such information more often at the commissioner's discretion.

Sec. 5747.504. (A) As used in this section:

(1) "Noncompliant municipal corporation" means a qualifying municipal corporation that does either of the following:

(a) Both fails to publish the plan as required under division (B) of this section by the deadline required under that division and charges rates for water and sewerage services to any nonresident different than those charged to its residents;

(b) On or after January 1, 2022, charges rates for water and sewerage services to any nonresident different than those charged to its residents.

(2) "Predatory municipal corporation" means a qualifying municipal corporation that does any of the following:

(a) Requires, as a condition of providing water or sewerage services to territory outside of the municipal corporation, that such territory be annexed to the municipal corporation;

(b) Requires, as a condition of providing water or sewerage services to territory outside of the municipal corporation, that a township or municipal corporation in which that territory is located provides direct payments in excess of those reasonably related to the cost of providing water or sewerage services in that territory to the municipal corporation that operates the water or sewerage system;

(c) Requires a township or another municipal corporation to comply with any requirement not reasonably related to the cost of providing water or sewerage services in the territory of the township or other municipal corporation as a condition of providing water or sewerage services in such

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territory;

(d) Withdraws water or sewerage service or threatens to withdraw such service from any territory of a township or another municipal corporation for failure of that township or municipal corporation to comply with any condition or make any direct payment not reasonably related to the cost of providing water or sewerage services in that territory.

(3) "Affected subdivision" means a township or municipal corporation that is either:

(a) Subject to any of the conditions described in divisions (A)(2)(a) to (d) of this section imposed by a predatory municipal corporation;

(b) Has a resident whose water or sewerage rates are different than those charged to residents of the noncompliant municipal corporation that provides such services to that resident.

(4) "Annexation" means any form of annexation proceeding or merger pursuant to Chapter 709. of the Revised Code.

(5) "Qualifying municipal corporation" means a municipal corporation having a population of more than seven hundred thousand as determined by the most recent federal decennial census that operates a municipal water or sewerage system serving nonresidents and residents of the municipal corporation.

(B) A qualifying municipal corporation shall do both of the following within two years after the effective date of the enactment of this section:

(1) Develop a plan to equalize, beginning January 1, 2022, the rate for water and sewerage services the municipal corporation charges to nonresidents with the rate charged to its residents;

(2) Publish the plan in a newspaper of general circulation within the county in which the municipal corporation is located once a week for three consecutive weeks.

(C)(1) A noncompliant municipal corporation shall notify the tax commissioner that the municipal corporation is a noncompliant municipal corporation within ten days after the date on which the municipal corporation becomes a noncompliant municipal corporation.

(2) The tax commissioner, upon receipt of a notice described in division (C)(1) of this section or upon discovery, on the basis of information in the commissioner's possession, that a municipal corporation is a noncompliant municipal corporation, shall do both of the following:

(a) Reduce by twenty per cent each payment the noncompliant municipal corporation would otherwise receive under division (C) of section 5747.50 of the Revised Code, beginning with the next required payment, and reduce payments to the appropriate county undivided local government

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fund under division (B) of section 5747.50 of the Revised Code equal to twenty per cent of the amount of such payments the municipal corporation would otherwise receive under section 5747.503, 5747.51, or 5747.53 of the Revised Code, beginning with the next required payment;

(b) Immediately notify the county auditor and county treasurer that such payments are to be reduced by twenty per cent until the tax commissioner notifies the auditor and treasurer under division (C)(3)(b) of this section that the reduction shall terminate.

The county treasurer shall reduce the amount of such payments to the noncompliant municipal corporation from the undivided local government fund beginning with the payment specified by the tax commissioner.

(3) A municipal corporation subject to the reductions required under division (C)(2) of this section may notify the tax commissioner that the municipal corporation is no longer a noncompliant municipal corporation. Upon receiving that notice, the commissioner shall do both of the following if the commissioner determines that the municipal corporation is no longer a noncompliant municipal corporation:

(a) Terminate the reduction, under division (C)(2)(a) of this section, in the amount of payments to the county's undivided local government fund and in the amount of payments to the municipal corporation under division (C) of section 5747.50 of the Revised Code beginning with the next required payments;

(b) Immediately notify the county auditor and county treasurer that the treasurer shall terminate the reduction in the amount of payments from the undivided local government fund to the municipal corporation under section 5747.503, 5747.51, or 5747.53 of the Revised Code.

The county treasurer shall provide for payments to the formerly noncompliant municipal corporation from the undivided local government fund, beginning with the payment specified by the tax commissioner.

(D)(1) A predatory municipal corporation shall notify the tax commissioner that the municipal corporation is a predatory municipal corporation within ten days after the effective date of the enactment of this section or, if the municipal corporation becomes a predatory municipal corporation after that date, within ten days after the date on which the municipal corporation becomes a predatory municipal corporation.

(2) The tax commissioner, upon receipt of a notice described in division (D)(1) of this section or upon discovery, on the basis of information in the commissioner's possession, that a municipal corporation is a predatory municipal corporation, shall do all of the following:

(a) Cease providing for payments to the municipal corporation under

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division (C) of section 5747.50 of the Revised Code, beginning with the next required payment, and reduce payments to the appropriate county undivided local government fund under division (B) of section 5747.50 of the Revised Code equal to the amount of such payments the municipal corporation would otherwise receive under section 5747.503, 5747.51, or 5747.53 of the Revised Code, beginning with the next required payment;

(b) Immediately notify the county auditor and county treasurer that such payments are to cease until the tax commissioner notifies the auditor and treasurer under division (D)(3)(b) of this section that the payments are to resume.

The county treasurer shall cease providing for payments to the predatory municipal corporation from the undivided local government fund beginning with the payment specified by the tax commissioner.

(c) The tax commissioner shall notify the director of environmental protection of the identities of the predatory subdivision and any affected subdivisions and instruct the director to proceed under division (G) of this section.

(3) A municipal corporation subject to the reductions required under division (D)(2) of this section may notify the tax commissioner that the municipal corporation is no longer a predatory municipal corporation. Upon receiving that notice, the commissioner shall do both of the following if the commissioner determines that the municipal corporation is no longer a predatory municipal corporation:

(a) Resume payments to the municipal corporation as required under division (C) of section 5747.50 of the Revised Code, and resume payments to the county's undivided local government fund to the extent such payments were reduced under division (D)(2)(a) of this section, beginning with the next required payment;

(b) Immediately notify the county auditor and county treasurer that the treasurer shall resume payments from the undivided local government fund to the municipal corporation under section 5747.503, 5747.51, or 5747.53 of the Revised Code.

The county treasurer shall resume payments to the municipal corporation from the undivided local government fund beginning with the payment specified by the tax commissioner.

(E) The tax commissioner shall provide for payment of an amount equal to amounts withheld from a noncompliant or predatory municipal corporation under divisions (C)(2)(a) and (D)(2)(a) of this section, respectively, to each affected subdivision affected by, or with a resident affected by, that municipal corporation under division (A)(3)(a) or (b) of

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this section. The payment to each such subdivision shall be in the proportion that the population of that subdivision bears to the total population of all such affected subdivisions, as determined by the most recent federal decennial census.

(F) An affected subdivision shall use money received under division (E) of this section for the current operating expenses of the subdivision.

(G) The director of environmental protection shall send a letter to each affected subdivision identified in a notice received by the director under division (D)(2)(c) of this section explaining the procedures for political subdivisions to form a regional water and sewer district under Chapter 6119. of the Revised Code.

Sec. 5747.51. (A) On or before the twenty-fifth day of July of each year, the tax commissioner shall make and certify to the county auditor of each county an estimate of the amount of the local government fund to be allocated to the undivided local government fund of each county for the ensuing calendar year, adjusting the total as required to account for subdivisions receiving local government funds under section 5747.502 of the Revised Code.

(B) At each annual regular session of the county budget commission convened pursuant to section 5705.27 of the Revised Code, each auditor shall present to the commission the certificate of the commissioner, the annual tax budget and estimates, and the records showing the action of the commission in its last preceding regular session. The commission, after extending to the representatives of each subdivision an opportunity to be heard, under oath administered by any member of the commission, and considering all the facts and information presented to it by the auditor, shall determine the amount of the undivided local government fund needed by and to be apportioned to each subdivision for current operating expenses, as shown in the tax budget of the subdivision. This determination shall be made pursuant to divisions (C) to (I) of this section, unless the commission has provided for a formula pursuant to section 5747.53 of the Revised Code. The ~~commissioner~~ commission shall ~~reduce or increase~~ adjust the amount of funds from the undivided local government fund to a subdivision as required ~~to receive reduced or increased funds under~~ by section 5747.502 or 5747.504 of the Revised Code.

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Nothing in this section prevents the budget commission, for the purpose of apportioning the undivided local government fund, from inquiring into the claimed needs of any subdivision as stated in its tax budget, or from adjusting claimed needs to reflect actual needs. For the purposes of this section, "current operating expenses" means the lawful expenditures of a

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subdivision, except those for permanent improvements and except payments for interest, sinking fund, and retirement of bonds, notes, and certificates of indebtedness of the subdivision.

(C) The commission shall determine the combined total of the estimated expenditures, including transfers, from the general fund and any special funds other than special funds established for road and bridge; street construction, maintenance, and repair; state highway improvement; and gas, water, sewer, and electric public utilities operated by a subdivision, as shown in the subdivision's tax budget for the ensuing calendar year.

(D) From the combined total of expenditures calculated pursuant to division (C) of this section, the commission shall deduct the following expenditures, if included in these funds in the tax budget:

(1) Expenditures for permanent improvements as defined in division (E) of section 5705.01 of the Revised Code;

(2) In the case of counties and townships, transfers to the road and bridge fund, and in the case of municipalities, transfers to the street construction, maintenance, and repair fund and the state highway improvement fund;

(3) Expenditures for the payment of debt charges;

(4) Expenditures for the payment of judgments.

(E) In addition to the deductions made pursuant to division (D) of this section, revenues accruing to the general fund and any special fund considered under division (C) of this section from the following sources shall be deducted from the combined total of expenditures calculated pursuant to division (C) of this section:

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(1) Taxes levied within the ten-mill limitation, as defined in section 5705.02 of the Revised Code;

(2) The budget commission allocation of estimated county public library fund revenues to be distributed pursuant to section 5747.48 of the Revised Code;

(3) Estimated unencumbered balances as shown on the tax budget as of the thirty-first day of December of the current year in the general fund, but not any estimated balance in any special fund considered in division (C) of this section;

(4) Revenue, including transfers, shown in the general fund and any special funds other than special funds established for road and bridge; street construction, maintenance, and repair; state highway improvement; and gas, water, sewer, and electric public utilities, from all other sources except those that a subdivision receives from an additional tax or service charge voted by its electorate or receives from special assessment or revenue bond

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collection. For the purposes of this division, where the charter of a municipal corporation prohibits the levy of an income tax, an income tax levied by the legislative authority of such municipal corporation pursuant to an amendment of the charter of that municipal corporation to authorize such a levy represents an additional tax voted by the electorate of that municipal corporation. For the purposes of this division, any measure adopted by a board of county commissioners pursuant to section 322.02, 4504.02, or 5739.021 of the Revised Code, including those measures upheld by the electorate in a referendum conducted pursuant to section 322.021, 4504.021, or 5739.022 of the Revised Code, shall not be considered an additional tax voted by the electorate.

Subject to division (G) of section 5705.29 of the Revised Code, money in a reserve balance account established by a county, township, or municipal corporation under section 5705.13 of the Revised Code shall not be considered an unencumbered balance or revenue under division (E)(3) or (4) of this section. Money in a reserve balance account established by a township under section 5705.132 of the Revised Code shall not be considered an unencumbered balance or revenue under division (E)(3) or (4) of this section.

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If a county, township, or municipal corporation has created and maintains a nonexpendable trust fund under section 5705.131 of the Revised Code, the principal of the fund, and any additions to the principal arising from sources other than the reinvestment of investment earnings arising from such a fund, shall not be considered an unencumbered balance or revenue under division (E)(3) or (4) of this section. Only investment earnings arising from investment of the principal or investment of such additions to principal may be considered an unencumbered balance or revenue under those divisions.

(F) The total expenditures calculated pursuant to division (C) of this section, less the deductions authorized in divisions (D) and (E) of this section, shall be known as the "relative need" of the subdivision, for the purposes of this section.

(G) The budget commission shall total the relative need of all participating subdivisions in the county, and shall compute a relative need factor by dividing the total estimate of the undivided local government fund by the total relative need of all participating subdivisions.

(H) The relative need of each subdivision shall be multiplied by the relative need factor to determine the proportionate share of the subdivision in the undivided local government fund of the county; provided, that the maximum proportionate share of a county shall not exceed the following

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maximum percentages of the total estimate of the undivided local government fund governed by the relationship of the percentage of the population of the county that resides within municipal corporations within the county to the total population of the county as reported in the reports on population in Ohio by the ~~department of~~ development services agency as of the twentieth day of July of the year in which the tax budget is filed with the budget commission:

| Percentage of municipal population within the county: | Percentage share of the county shall not exceed: |
|---|---|
| Less than forty-one per cent | Sixty per cent |
| Forty-one per cent or more but less than eighty-one per cent | Fifty per cent |
| Eighty-one per cent or more | Thirty per cent |

Where the proportionate share of the county exceeds the limitations established in this division, the budget commission shall adjust the proportionate shares determined pursuant to this division so that the proportionate share of the county does not exceed these limitations, and it shall increase the proportionate shares of all other subdivisions on a pro rata basis. In counties having a population of less than one hundred thousand, not less than ten per cent shall be distributed to the townships therein.

(I) The proportionate share of each subdivision in the undivided local government fund determined pursuant to division (H) of this section for any calendar year shall not be less than the product of the average of the percentages of the undivided local government fund of the county as apportioned to that subdivision for the calendar years 1968, 1969, and 1970, multiplied by the total amount of the undivided local government fund of the county apportioned pursuant to former section 5735.23 of the Revised Code for the calendar year 1970. For the purposes of this division, the total apportioned amount for the calendar year 1970 shall be the amount actually allocated to the county in 1970 from the state collected intangible tax as levied by section 5707.03 of the Revised Code and distributed pursuant to section 5725.24 of the Revised Code, plus the amount received by the county in the calendar year 1970 pursuant to division (B)(1) of former section 5739.21 of the Revised Code, and distributed pursuant to former section 5739.22 of the Revised Code. If the total amount of the undivided local government fund for any calendar year is less than the amount of the undivided local government fund apportioned pursuant to former section 5739.23 of the Revised Code for the calendar year 1970, the minimum amount guaranteed to each subdivision for that calendar year pursuant to this division shall be reduced on a basis proportionate to the amount by

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which the amount of the undivided local government fund for that calendar year is less than the amount of the undivided local government fund apportioned for the calendar year 1970.

(J) On the basis of such apportionment, the county auditor shall compute the percentage share of each such subdivision in the undivided local government fund and shall at the same time certify to the tax commissioner the percentage share of the county as a subdivision. No payment shall be made from the undivided local government fund, except in accordance with such percentage shares.

Within ten days after the budget commission has made its apportionment, whether conducted pursuant to section 5747.51 or 5747.53 of the Revised Code, the auditor shall publish a list of the subdivisions and the amount each is to receive from the undivided local government fund and the percentage share of each subdivision, in a newspaper or newspapers of countywide circulation, and send a copy of such allocation to the tax commissioner.

The county auditor shall also send a copy of such allocation by ordinary or electronic mail to the fiscal officer of each subdivision entitled to participate in the allocation of the undivided local government fund of the county. This copy shall constitute the official notice of the commission action referred to in section 5705.37 of the Revised Code.

All money received into the treasury of a subdivision from the undivided local government fund in a county treasury shall be paid into the general fund and used for the current operating expenses of the subdivision.

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If a municipal corporation maintains a municipal university, such municipal university, when the board of trustees so requests the legislative authority of the municipal corporation, shall participate in the money apportioned to such municipal corporation from the total local government fund, however created and constituted, in such amount as requested by the board of trustees, provided such sum does not exceed nine per cent of the total amount paid to the municipal corporation.

If any public official fails to maintain the records required by sections 5747.50 to 5747.55 of the Revised Code or by the rules issued by the tax commissioner, the auditor of state, or the treasurer of state pursuant to such sections, or fails to comply with any law relating to the enforcement of such sections, the local government fund money allocated to the county may be withheld until such time as the public official has complied with such sections or such law or the rules issued pursuant thereto.

Sec. 5747.53. (A) As used in this section:

(1) "City, located wholly or partially in the county, with the greatest

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population" means the city, located wholly or partially in the county, with the greatest population residing in the county; however, if the county budget commission on or before January 1, 1998, adopted an alternative method of apportionment that was approved by the legislative authority of the city, located partially in the county, with the greatest population but not the greatest population residing in the county, "city, located wholly or partially in the county, with the greatest population" means the city, located wholly or partially in the county, with the greatest population whether residing in the county or not, if this alternative meaning is adopted by action of the board of county commissioners and a majority of the boards of township trustees and legislative authorities of municipal corporations located wholly or partially in the county.

(2) "Participating political subdivision" means a municipal corporation or township that satisfies all of the following:

(a) It is located wholly or partially in the county.

(b) It is not the city, located wholly or partially in the county, with the greatest population.

(c) Undivided local government fund moneys are apportioned to it under the county's alternative method or formula of apportionment in the current calendar year.

(B) In lieu of the method of apportionment of the undivided local government fund of the county provided by section 5747.51 of the Revised Code, the county budget commission may provide for the apportionment of the fund under an alternative method or on a formula basis as authorized by this section. The ~~commissioner~~ commission shall ~~reduce or increase~~ adjust the amount of funds from the undivided local government fund to a subdivision as required ~~to receive reduced or increased funds under~~ by section 5747.502 or 5747.504 of the Revised Code.

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Except as otherwise provided in division (C) of this section, the alternative method of apportionment shall have first been approved by all of the following governmental units: the board of county commissioners; the legislative authority of the city, located wholly or partially in the county, with the greatest population; and a majority of the boards of township trustees and legislative authorities of municipal corporations, located wholly or partially in the county, excluding the legislative authority of the city, located wholly or partially in the county, with the greatest population. In granting or denying approval for an alternative method of apportionment, the board of county commissioners, boards of township trustees, and legislative authorities of municipal corporations shall act by motion. A motion to approve shall be passed upon a majority vote of the members of a

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board of county commissioners, board of township trustees, or legislative authority of a municipal corporation, shall take effect immediately, and need not be published.

Any alternative method of apportionment adopted and approved under this division may be revised, amended, or repealed in the same manner as it may be adopted and approved. If an alternative method of apportionment adopted and approved under this division is repealed, the undivided local government fund of the county shall be apportioned among the subdivisions eligible to participate in the fund, commencing in the ensuing calendar year, under the apportionment provided in section 5747.52 of the Revised Code, unless the repeal occurs by operation of division (C) of this section or a new method for apportionment of the fund is provided in the action of repeal.

(C) This division applies only in counties in which the city, located wholly or partially in the county, with the greatest population has a population of twenty thousand or less and a population that is less than fifteen per cent of the total population of the county. In such a county, the legislative authorities or boards of township trustees of two or more participating political subdivisions, which together have a population residing in the county that is a majority of the total population of the county, each may adopt a resolution to exclude the approval otherwise required of the legislative authority of the city, located wholly or partially in the county, with the greatest population. All of the resolutions to exclude that approval shall be adopted not later than the first Monday of August of the year preceding the calendar year in which distributions are to be made under an alternative method of apportionment.

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A motion granting or denying approval of an alternative method of apportionment under this division shall be adopted by a majority vote of the members of the board of county commissioners and by a majority vote of a majority of the boards of township trustees and legislative authorities of the municipal corporations located wholly or partially in the county, other than the city, located wholly or partially in the county, with the greatest population, shall take effect immediately, and need not be published. The alternative method of apportionment under this division shall be adopted and approved annually, not later than the first Monday of August of the year preceding the calendar year in which distributions are to be made under it. A motion granting approval of an alternative method of apportionment under this division repeals any existing alternative method of apportionment, effective with distributions to be made from the fund in the ensuing calendar year. An alternative method of apportionment under this division shall not be revised or amended after the first Monday of August of the year

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preceding the calendar year in which distributions are to be made under it.

(D) In determining an alternative method of apportionment authorized by this section, the county budget commission may include in the method any factor considered to be appropriate and reliable, in the sole discretion of the county budget commission.

(E) The limitations set forth in section 5747.51 of the Revised Code, stating the maximum amount that the county may receive from the undivided local government fund and the minimum amount the townships in counties having a population of less than one hundred thousand may receive from the fund, are applicable to any alternative method of apportionment authorized under this section.

(F) On the basis of any alternative method of apportionment adopted and approved as authorized by this section, as certified by the auditor to the county treasurer, the county treasurer shall make distribution of the money in the undivided local government fund to each subdivision eligible to participate in the fund, and the auditor, when the amount of those shares is in the custody of the treasurer in the amounts so computed to be due the respective subdivisions, shall at the same time certify to the tax commissioner the percentage share of the county as a subdivision. All money received into the treasury of a subdivision from the undivided local government fund in a county treasury shall be paid into the general fund and used for the current operating expenses of the subdivision. If a municipal corporation maintains a municipal university, the university, when the board of trustees so requests the legislative authority of the municipal corporation, shall participate in the money apportioned to the municipal corporation from the total local government fund, however created and constituted, in the amount requested by the board of trustees, provided that amount does not exceed nine per cent of the total amount paid to the municipal corporation.

(G) The actions of the county budget commission taken pursuant to this section are final and may not be appealed to the board of tax appeals, except on the issues of abuse of discretion and failure to comply with the formula.

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Sec. 5747.70. (A) In computing Ohio adjusted gross income, a deduction from federal adjusted gross income is allowed to a contributor for the amount contributed during the taxable year to a variable college savings program account and to a purchaser of tuition units under the Ohio college savings program created by Chapter 3334. of the Revised Code to the extent that the amounts of such contributions and purchases were not deducted in determining the contributor's or purchaser's federal adjusted gross income for the taxable year. The combined amount of contributions and purchases deducted in any taxable year by a taxpayer or the taxpayer and the

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the thirtieth day of June of the current fiscal year.

Sec. 5902.09. The department of veterans services shall create, publish, and maintain a web site for labor exchange and job placement activity specifically for veterans.

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Sec. 5902.20. The veteran peer counseling network is established. The purpose of the network is to offer veterans in this state the opportunity to work with other veterans in order to assist with overcoming the issues unique to veterans in this state. The director of veterans services shall adopt rules, in accordance with Chapter 119. of the Revised Code, to administer the network.

Sec. 5903.11. (A) Any federally funded employment and training program administered by any state agency including, but not limited to, the ~~"Workforce Investment Act of 1998," 112 Stat. 936, codified in scattered sections of 29 U.S.C., as amended~~ "Workforce Innovation and Opportunity Act," 29 U.S.C. 3101 et seq., shall include a veteran priority system to provide maximum employment and training opportunities to veterans and eligible persons within each targeted group as established by federal law and state and federal policy in the service area. Disabled veterans, veterans of the Vietnam era, other veterans, and eligible persons shall receive preference over nonveterans within each targeted group in the provision of employment and training services available through these programs as required by this section.

(B) Each state agency shall refer qualified applicants to job openings and training opportunities in programs described in division (A) of this section in the following order of priority:

(1) Special disabled veterans;

(2) Veterans of the Vietnam era;

(3) Disabled veterans;

(4) All other veterans;

(5) Other eligible persons;

(6) Nonveterans.

(C) Each state agency providing employment and training services to veterans and eligible persons under programs described in division (A) of this section shall submit an annual written report to the speaker of the house of representatives and the president of the senate on the services that it provides to veterans and eligible persons. Each such agency shall report separately on all entitlement programs, employment or training programs, and any other programs that it provides to each class of persons described in divisions (B)(1) to (6) of this section. Each such agency shall also report on action taken to ensure compliance with statutory requirements. Compliance

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establish a workforce development fund and the entity receiving funds shall deposit all funds received under this section into the workforce development fund. All expenditures for activities funded under this section shall be made from the workforce development fund, including reimbursements to a county public assistance fund for expenditures made for activities funded under this section.

(C) The use of funds, reporting requirements, and other administrative and operational requirements governing the use of funds received by the director pursuant to this section shall be governed by internal management rules adopted by ~~and approved by~~ the ~~state board~~ director pursuant to section 111.15 of the Revised Code.

(1) A local area described in division (B) of this section shall use the OhioMeansJobs web site as the labor exchange and job placement system for the area.

(2) No additional federal or state workforce funds shall be used to build or maintain any labor exchange and job placement system that is duplicative to the OhioMeansJobs web site.

(3) The OhioMeansJobs web site shall include a link to the labor exchange and job placement activity web site for veterans established by the department of veterans services under section 5902.09 of the Revised Code. The OhioMeansJobs web site shall not include a veterans' labor exchange and job placement function independent of the web site established and maintained under that section.

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(D) To the extent permitted by state or federal law, the director, and local areas~~, counties, and municipal corporations~~ authorized to administer workforce development activities may assess a fee for specialized services requested by an employer. The director shall adopt rules pursuant to Chapter 119. of the Revised Code governing the nature and amount of those types of fees.

Sec. 6301.04. (A) The governor shall establish a state board ~~and~~. The state board shall consist of the following members:

(1) The governor;

(2) Two members of the house of representatives, appointed by the speaker of the house of representatives;

(3) Two members of the senate, appointed by the president of the senate;

(4) Members required under section 101(b)(1)(C) of the Workforce Innovation and Opportunity Act, 29 U.S.C. 3111(b)(1)(C);

(5) Any additional members appointed by the governor.

(B) The governor shall appoint members to the board, who serve at the

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~~post-secondary educational institutions.~~

~~(d) At least one member of the board shall be a representative of consumers of workforce development activities.~~

~~(e) Any other individuals the chief elected officials of the local area determine are necessary~~ to carry out the functions described in section 107(d) of the Workforce Innovation and Opportunity Act, 29 U.S.C. 3122(d). The chief elected official or officials shall appoint members of the local board in accordance with the requirements of section 107(b)(2) of the Workforce Innovation and Opportunity Act, 29 U.S.C. 3122(b)(2).

(B) Members of the local board serve at the pleasure of the chief elected official or officials of the local area. Members shall not be compensated but may be reimbursed for actual, reasonable, and necessary expenses incurred in the performance of their duties as board members. Those expenses shall be paid from funds allocated pursuant to section 6301.03 of the Revised Code.

The chief elected official or officials of a local area may provide office space, staff, or other administrative support as needed to the board. For purposes of section 102.02 of the Revised Code, members of the board are not public officials or employees.

(C) The chief elected official or officials of a local area ~~other than a local area as defined in division (A)(1) of section 6301.01 of the Revised Code, shall coordinate the workforce development activities of the county family services planning committees and the local boards in the local area in any manner that is efficient and effective to meet the needs of the local area. The chief elected officials of the local area may, but are not required to, consolidate all boards and committees as they determine appropriate into a single board for purposes of workforce development activities. A majority of the members of that consolidated board shall represent private sector businesses. The membership of that consolidated board shall include a representative from each group granted representation as described in division (A) of this section and also a member who represents consumers of family services and a member who represents the county department of job and family services. The membership of that consolidated board may include a representative of one or more groups and entities that may be represented on a county family services planning committee, as specified in section 329.06 of the Revised Code~~ shall adopt a process for appointing members to the local board for the local area.

(D)(1) The requirement in division (C) of section 121.22 of the Revised Code that a member of a public body be present in person at a meeting open to the public to be part of a quorum or to vote does not apply to the local

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board if the board holds the meeting by interactive video conference or by teleconference in the following manner:

(a) The board establishes a primary meeting location that is open and accessible to the public.

(b) Meeting-related materials that are available before the meeting are sent via electronic mail, facsimile, hand delivery, or United States postal service to each board member.

(c) In the case of an interactive video conference, the board causes a clear video and audio connection to be established that enables all meeting participants at the primary meeting location to see and hear each board member.

(d) In the case of a teleconference, the board causes a clear audio connection to be established that enables all meeting participants at the primary meeting location to hear each board member.

(e) All board members have the capability to receive meeting-related materials that are distributed during a board meeting.

(f) A roll call voice vote is recorded for each vote taken.

(g) The minutes of the board meeting identify which board members remotely attended the meeting by interactive video conference or teleconference.

If the board proceeds under this division, use of an interactive video conference is preferred, but nothing in this section prohibits the board from conducting its meetings by teleconference or by a combination of interactive video conference and teleconference at the same meeting.

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(2) The board shall adopt rules necessary to implement division (D)(1) of this section. At a minimum, the board shall do all of the following in the rules:

(a) Authorize board members to remotely attend a board meeting by interactive video conference or teleconference, or by a combination thereof, in lieu of attending the meeting in person;

(b) Establish a minimum number of board members that must be physically present in person at the primary meeting location if the board conducts a meeting by interactive video conference or teleconference;

(c) Require that not more than one board member remotely attending a board meeting by teleconference is permitted to be physically present at the same remote location;

(d) Establish geographic restrictions for participation in meetings by interactive video conference and by teleconference;

(e) Establish a policy for distributing and circulating meeting-related materials to board members, the public, and the media in advance of or

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during a meeting at which board members are permitted to attend by interactive video conference or teleconference;

(f) Establish a method for verifying the identity of a board member who remotely attends a meeting by teleconference.

(E) The chief elected official or officials of a local area may contract with the local board. The parties shall specify in the contract the workforce development activities that the local board is to administer and shall establish in the contract standards, including performance standards, for the local board's operation. The contract may include any other provisions that the chief elected official or officials consider necessary.

(F) The chief elected official or officials may contract with any government or private entity to enhance the administration of local workforce development activities for which the local board is responsible. The entity with which the chief elected official or officials contract is not required to be located in the local area in which the chief elected official or officials serve as chief elected executive officer.

(G)(1) As used in this division, "public library" means a library that is open to the public and that is one of the following:

(a) A library that is maintained and regulated under section 715.13 of the Revised Code;

(b) A library that is created, maintained, and regulated under Chapter 3375. of the Revised Code;

(c) A library that is created and maintained by a public or private school, college, university, or other educational institution;

(d) A library that is created and maintained by a historical or charitable organization, institution, association, or society.

(2) Not later than September 1, 2018, and every two years thereafter, an OhioMeansJobs center operator shall enter into a memorandum of understanding with one or more public libraries to facilitate collaboration and coordination of workforce programs and education and job training resources.

Sec. 6301.061. A board of county commissioners may appoint an advisory committee on workforce development. A committee appointed under this section may do both of the following:

(A) Work to further cooperation between the county and other workforce development and economic development related entities including the state, local area ~~one-stop~~ workforce development systems, and private businesses;

(B) Advise the board and other interested parties on ways to maintain and improve the workforce development system of the local area in which

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shadowing, internships, co-ops, apprenticeships, career exploration activities, and problem-based curriculum developed in alignment with in-demand jobs.

(B) The governor's office of workforce transformation shall oversee the creation of regional workforce collaboration partnerships based on the model created under division (A) of this section. The partnerships shall be located in each of the six different regions of the state, as determined by JobsOhio.

(C) As used in this section, "JobsOhio" has the same meaning as in section 187.01 of the Revised Code.

SECTION 101.02. That existing sections 101.34, 102.02, 102.022, 102.03, 103.41, 103.42, [103.45,] 103.47, 105.41, 106.042, 107.031, 107.35, 109.572, 109.5721, 109.71, 109.803, 109.91, 111.42, 111.43, 111.44, 111.45, 113.061, 117.46, 120.08, 120.33, 120.36, 121.40, 121.48, [122.01,] 122.071, 122.08, 122.081, 122.17, 122.171, 122.174, 122.175, [122.33,] 122.641, 122.85, 122.86, 122.98, 123.01, 123.20, 123.21, 124.384, 124.93, 125.035, 125.04, 125.061, 125.18, 125.22, 125.28, 126.11, 126.22, 126.35, 131.23, 131.33, [131.35,] 131.44, 131.51, 133.022, 133.06, 133.061, 135.143, 135.182, 135.35, 135.45, 135.63, 135.71, 143.01, 147.541, 151.03, 152.08, 153.02, 154.11, 166.08, 166.11, 167.03, 173.01, 173.14, 173.15, 173.17, 173.19, 173.20, 173.21, 173.22, 173.24, 173.27, 173.28, 173.38, 173.381, 173.42, 173.424, 173.48, 173.51, 173.55, 173.99, 183.51, 191.04, 191.06, 305.05, 307.283, 307.678, 307.93, 307.984, 319.11, 319.26, 319.54, 321.26, 321.27, 321.37, 321.46, 323.01, 323.32, 329.03, 329.04, 329.051, 329.06, 340.03, 340.032, 340.033, 340.08, 341.12, 341.121, 341.25, 503.56, 505.94, 507.12, 507.13, 703.20, 703.21, 705.22, 713.01, 715.014, 718.01, 718.02, 718.06, 718.08, 718.27, 718.60, 725.01, 725.04, 733.44, 733.46, 733.78, 733.81, 763.01, 763.07, 901.04, 901.43, 909.10, 911.11, 924.01, 924.09, 927.55, 939.02, 940.15, 941.12, 941.55, 943.23, 947.06, 1121.10, 1121.24, 1123.01, 1123.03, 1155.07, 1155.10, 1163.09, 1163.13, 1181.06, 1349.21, 1503.05, 1503.141, 1504.02, 1505.09, 1506.23, 1509.02, 1509.07, [1509.071,] 1509.71, 1513.18, 1513.20, 1513.25, 1513.27, 1513.28, 1513.30, 1513.31, 1513.32, 1513.33, 1513.37, 1514.03, 1514.051, 1514.06, 1514.071, 1514.10, 1514.11, 1514.41, 1514.46, 1521.06, 1521.063, 1531.01, 1531.06, 1533.10, 1533.11, 1533.12, 1533.32, 1547.73, 1561.14, 1561.16, 1561.17, 1561.18, 1561.19, 1561.20, 1561.21, 1561.22, 1561.26, 1561.45, 1561.46, 1561.48, 1711.51, 1711.53, 1721.01, 1721.10, 1733.04, 1733.24, 1751.72, 1751.75, 1923.12, 1923.13, 1923.14, 2151.34, 2151.353, 2151.417, 2151.43, 2151.49, 2301.56, 2329.211, 2329.271, 2329.31, 2329.311, 2329.44, 2329.66,

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2743.75, 2903.213, 2903.214, 2919.26, 2923.1210, 2925.01, 2925.23, 2929.15, 2929.20, 2929.34, 2941.51, 2953.25, 2953.32, 2953.37, 2953.38, 2953.53, 2967.193, 3109.15, 3111.04, 3113.06, 3113.07, 3113.31, 3119.05, 3121.03, 3301.0710, 3301.0711, 3301.0712, 3301.0714, 3301.0715, 3301.16, 3302.01, 3302.03, 3302.151, 3303.20, 3304.11, 3304.12, 3304.14, 3304.15, 3304.17, 3304.171, 3304.18, 3304.182, 3304.19, 3304.20, 3304.21, 3304.22, 3304.27, 3304.28, 3304.29, 3304.30, 3304.31, 3304.41, 3309.23, 3309.374, 3309.661, 3310.16, 3310.52, 3310.522, 3311.06, 3311.751, 3311.86, 3313.372, 3313.411, 3313.413, 3313.46, 3313.5310, 3313.603, 3313.6012, 3313.6013, 3313.6023, 3313.612, 3313.618, 3313.6110, 3313.64, 3313.6410, 3313.713, 3313.717, 3313.751, 3313.813, 3313.89, 3313.902, 3313.978, 3314.016, 3314.03, 3314.08, 3314.26, 3316.20, 3317.01, 3317.013, 3317.014, 3317.017, 3317.02, 3317.021, 3317.022, 3317.024, 3317.025, 3317.028, 3317.0212, 3317.0218, 3317.06, 3317.16, 3318.01, 3318.011, 3318.02, 3318.021, 3318.022, 3318.024, 3318.03, 3318.031, 3318.032, 3318.033, 3318.034, 3318.035, 3318.036, 3318.04, 3318.041, 3318.042, 3318.05, 3318.051, 3318.052, 3318.054, 3318.06, 3318.061, 3318.07, 3318.08, 3318.081, 3318.082, 3318.083, 3318.084, 3318.086, 3318.091, 3318.10, 3318.11, 3318.112, 3318.12, 3318.121, 3318.13, 3318.15, 3318.16, 3318.18, 3318.22, 3318.25, 3318.26, 3318.311, 3318.351, 3318.36, 3318.362, 3318.363, 3318.364, 3318.37, 3318.371, 3318.38, 3318.40, 3318.41, 3318.42, 3318.43, 3318.46, 3318.48, 3318.49, 3318.50, 3318.60, 3318.61, 3318.62, 3318.70, 3318.71, 3319.088, 3319.111, 3319.22, 3319.227, 3319.26, 3319.271, 3319.291, 3319.36, 3319.61, 3323.052, 3323.14, 3326.01, 3326.03, 3326.032, 3326.04, 3326.09, 3326.10, 3326.101, 3326.11, 3326.33, 3326.41, 3327.08, 3333.048, 3333.121, 3333.122, 3333.31, 3333.39, 3333.91, 3333.92, 3345.061, 3345.14, 3345.35, 3345.45, 3345.48, 3354.01, 3354.09, 3357.01, 3357.09, 3357.19, 3358.01, 3358.08, 3365.01, 3365.02, 3365.03, 3365.04, 3365.05, 3365.06, 3365.07, 3365.10, 3365.12, 3365.15, 3503.16, 3506.01, 3506.06, 3506.07, 3517.17, 3701.021, 3701.243, 3701.601, 3701.611, 3701.65, 3701.83, 3701.881, 3702.304, 3702.307, 3702.52, 3702.72, 3704.01, 3704.035, 3704.111, 3705.07, 3705.08, 3705.09, 3705.10, 3706.05, 3706.27, 3707.58, 3710.01, 3710.02, 3710.04, 3710.05, 3710.051, 3710.06, 3710.07, 3710.08, 3710.09, 3710.10, 3710.11, 3710.12, 3710.13, 3710.14, 3710.15, 3710.17, 3710.19, 3710.99, 3713.04, 3715.021, 3715.041, 3717.22, 3719.04, 3719.07, 3719.08, 3721.02, 3721.031, 3721.21, 3721.22, 3721.23, 3721.24, 3721.25, 3721.32, 3727.45, 3727.54, 3729.08, 3734.02, 3734.041, 3734.05, 3734.06, 3734.15, 3734.31, 3734.42, 3734.57, 3734.82, 3734.901, 3734.9011, 3735.31,

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3735.33, 3735.40, 3735.41, 3735.66, 3735.661, 3735.672, 3737.21, 3742.01, 3742.02, 3742.31, 3742.35, 3742.36, 3742.41, 3742.42, 3742.49, 3742.50, 3742.51, 3743.75, 3745.012, 3745.016, 3745.03, 3745.11, 3749.01, 3749.02, 3749.03, 3749.04, 3749.05, 3749.06, 3749.07, 3751.01, 3751.02, 3751.03, 3751.04, 3751.05, 3751.10, 3751.11, 3769.087, 3770.02, 3770.03, 3770.22, 3772.03, 3772.17, 3772.99, 3794.03, 3796.08, 3923.041, 3937.25, 3937.32, 4104.15, 4104.18, 4105.17, 4109.06, 4112.05, 4141.29, 4141.43, 4141.51, 4301.13, 4301.22, 4301.43, 4301.62, 4303.181, 4303.209, 4303.22, 4303.26, 4303.271, 4501.044, 4501.045, 4503.02, 4503.038, 4503.04, 4503.042, 4503.066, 4503.08, 4503.10, 4503.101, 4503.15, 4503.503, 4503.63, 4503.65, 4503.77, 4503.83, 4505.06, 4508.02, 4510.022, 4511.01, 4511.19, 4582.12, 4582.31, 4709.02, 4709.05, 4709.07, 4709.08, 4709.09, 4709.10, 4709.12, 4709.13, 4709.14, 4709.23, 4713.01, 4713.02, 4713.03, 4713.04, 4713.05, 4713.06, 4713.07, 4713.071, 4713.08, 4713.081, 4713.082, 4713.09, 4713.10, 4713.11, 4713.13, 4713.141, 4713.17, 4713.20, 4713.22, 4713.24, 4713.25, 4713.28, 4713.29, 4713.30, 4713.31, 4713.32, 4713.34, 4713.35, 4713.37, 4713.39, 4713.41, 4713.44, 4713.45, 4713.48, 4713.50, 4713.51, 4713.55, 4713.56, 4713.57, 4713.58, 4713.59, 4713.61, 4713.62, 4713.63, 4713.64, 4713.641, 4713.65, 4713.66, 4713.68, 4713.69, 4715.13, 4715.14, 4715.16, 4715.21, 4715.24, 4715.27, 4715.362, 4715.363, 4715.369, 4715.37, 4715.53, 4715.62, 4715.63, 4717.01, 4717.02, 4717.03, 4717.04, 4717.05, 4717.06, 4717.07, 4717.08, 4717.09, 4717.10, 4717.11, 4717.13, 4717.14, 4717.15, 4717.16, 4717.21, 4717.23, 4717.24, 4717.25, 4717.26, 4717.27, 4717.28, 4717.30, 4717.32, 4717.33, 4717.35, 4717.36, 4723.05, 4723.09, 4723.32, 4723.50, 4729.01, 4729.06, 4729.08, 4729.09, 4729.11, 4729.12, 4729.13, 4729.15, 4729.16, 4729.51, 4729.52, 4729.53, 4729.54, 4729.552, 4729.56, 4729.561, 4729.57, 4729.571, 4729.58, 4729.59, 4729.60, 4729.61, 4729.62, 4729.67, 4729.75, 4729.77, 4729.78, 4729.80, 4729.82, 4729.83, 4729.84, 4729.86, 4730.05, 4730.40, 4731.056, 4731.07, 4731.081, 4731.091, 4731.092, 4731.10, 4731.14, 4731.142, 4731.143, 4731.15, 4731.22, 4731.221, 4731.222, 4731.223, 4731.224, 4731.225, 4731.23, 4731.26, 4731.281, 4731.282, 4731.291, 4731.292, 4731.293, 4731.294, 4731.295, 4731.296, 4731.298, 4731.299, 4731.341, 4731.36, 4731.41, 4731.43, 4731.51, 4731.52, 4731.531, 4731.56, 4731.573, 4731.60, 4731.61, 4731.65, 4731.66, 4731.67, 4731.68, 4731.76, 4731.82, 4731.85, 4736.01, 4736.02, 4736.03, 4736.05, 4736.06, 4736.07, 4736.08, 4736.09, 4736.10, 4736.11, 4736.12, 4736.13, 4736.14, 4736.15, 4736.17, 4736.18, 4745.01, 4749.031, 4751.03, 4751.04, 4751.10, 4751.14, 4751.99, 4762.14, 4765.01, 4765.02, 4776.01, 4776.02, 4776.04, 4776.20, 4781.04,

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4781.07, 4781.121, 4905.02, 4906.01, 4906.10, 4906.13, 4911.021, 4921.01, 4921.19, 4921.21, 4923.02, 4923.99, 4927.13, 4928.01, 4928.64, 5101.09, 5101.16, 5101.17, 5101.18, 5101.181, 5101.184, 5101.20, 5101.201, 5101.214, 5101.23, 5101.241, 5101.26, 5101.27, 5101.28, 5101.32, 5101.33, 5101.35, 5101.36, 5101.61, 5101.802, 5107.05, 5107.10, 5108.01, 5117.10, 5119.01, 5119.22, 5119.221, 5119.34, 5119.363, 5119.41, 5119.47, 5120.035, 5120.22, 5120.55, 5122.32, 5123.01, 5123.377, 5123.378, 5123.38, 5123.47, 5123.60, 5124.15, 5124.25, 5126.0221, 5126.042, 5126.054, 5149.10, 5149.311, 5149.36, 5160.052, 5160.37, 5160.40, 5160.401, 5162.021, 5162.12, 5162.40, 5162.41, 5162.52, 5162.66, 5162.70, 5163.01, 5163.03, 5164.01, 5164.02, 5164.31, 5164.34, 5164.341, 5164.342, 5164.37, 5164.57, 5164.70, 5164.752, 5164.753, 5165.01, 5165.106, 5165.1010, 5165.15, 5165.151, 5165.153, 5165.154, 5165.157, 5165.16, 5165.17, 5165.19, 5165.192, 5165.21, 5165.23, 5165.25, 5165.34, 5165.37, 5165.41, 5165.42, 5165.52, 5166.01, 5166.16, 5166.22, 5166.30, 5166.40, 5166.405, 5166.408, 5167.01, 5167.03, 5167.04, 5167.12, 5167.173, 5167.30, 5168.01, 5168.02, 5168.06, 5168.07, 5168.09, 5168.10, 5168.11, 5168.14, 5168.26, 5168.99, 5502.01, 5502.13, 5502.68, 5503.02, 5505.01, 5505.16, 5505.162, 5505.17, 5505.19, 5505.20, 5505.21, 5515.07, 5575.02, 5575.03, 5577.081, 5595.03, 5595.06, 5595.13, 5703.052, 5703.053, 5703.054, 5703.056, 5703.19, 5703.21, 5703.26, 5703.371, 5703.50, 5703.57, 5703.70, 5703.75, 5705.03, 5705.16, 5709.12, 5709.17, 5709.212, 5709.45, 5709.62, 5709.63, 5709.632, 5709.64, 5709.68, 5709.73, 5709.92, 5713.051, 5713.31, 5713.33, 5713.34, 5715.01, 5715.20, 5715.27, 5715.39, 5717.04, 5725.33, 5725.98, 5726.98, 5727.26, 5727.28, 5727.31, 5727.311, 5727.38, 5727.42, 5727.47, 5727.48, 5727.53, 5727.60, 5727.80, 5727.81, 5729.98, 5731.46, 5731.49, 5735.02, 5736.06, 5739.01, 5739.02, 5739.021, 5739.023, 5739.025, 5739.026, 5739.029, 5739.033, 5739.09, 5739.12, 5739.122, 5739.13, 5739.132, 5739.17, 5739.30, 5741.01, 5741.021, 5741.022, 5741.12, 5743.01, 5743.03, 5743.081, 5743.15, 5743.51, 5743.61, 5743.62, 5743.63, 5747.02, 5747.06, 5747.08, 5747.113, 5747.122, 5747.50, 5747.502, 5747.51, 5747.53, 5747.70, 5747.98, 5749.01, 5749.02, 5749.03, 5749.04, 5749.06, 5749.17, 5751.02, 5903.11, 5919.34, 5923.05, 6111.03, 6111.036, 6111.04, 6111.046, 6111.14, 6111.30, 6117.38, 6301.01, 6301.02, 6301.03, 6301.04, 6301.05, 6301.06, 6301.061, 6301.07, 6301.08, 6301.09, 6301.11, 6301.12, and 6301.18 of the Revised Code are hereby repealed.

SECTION 105.01. That sections 123.27, 152.01, 152.02, 152.04, 152.05,

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152.06, 152.07, 152.09, 152.091, 152.10, 152.11, 152.12, 152.13, 152.14, 152.15, 152.16, 152.17, 152.18, 152.19, 152.21, 152.22, 152.23, 152.24, 152.241, 152.242, 152.26, 152.27, 152.28, 152.31, 152.32, 152.33, 173.53, 330.01, 330.02, 330.04, 330.05, 330.07, 340.091, 759.24, 763.02, 763.05, 901.90, 921.60, 921.61, 921.62, 921.63, 921.64, 921.65, 1181.16, 1181.17, 1181.18, 1501.022, 1506.24, 1513.181, 3301.28, 3317.018, 3317.019, 3317.026, 3317.027, 3318.19, 3318.30, 3318.31, 3319.223, 3333.13, 3704.144, 3706.26, 3712.042, 3719.02, 3719.021, 3719.03, 3719.031, 3727.33, 3727.331, 3727.34, 3727.35, 3727.36, 3727.37, 3727.38, 3727.39, 3727.391, 3727.40, 3727.41, 3734.821, 3742.43, 3742.44, 3742.45, 3742.46, 3742.47, 3742.48, 3772.032, 4709.04, 4709.06, 4709.26, 4709.27, 4729.14, 4731.08, 4731.09, 4731.11, 4731.12, 4731.13, 4731.141, 4731.29, 4731.53, 4731.54, 4731.55, 4731.57, 4731.571, 4736.04, 4736.16, 4921.15, 4921.16, 5115.01, 5115.02, 5115.03, 5115.04, 5115.05, 5115.06, 5115.07, 5115.20, 5115.22, 5115.23, 5162.54, 5166.13, 5739.18, 5747.056, 6111.033, and 6111.40 of the Revised Code are hereby repealed. JRK

SECTION 105.20. The version of section 118.023 of the Revised Code that is scheduled to take effect September 29, 2017, is hereby repealed. It is not the intent of this repeal to affect the continued operation of the version of section 118.023 of the Revised Code that is currently in effect.

SECTION 120.10. That sections 4713.10 and 4713.56 of the Revised Code be amended to read as follows:

Sec. 4713.10. (A) The state ~~board of~~ cosmetology and barber board shall charge and collect the following fees:

(1) For a temporary pre-examination work permit under section 4713.22 of the Revised Code, seven dollars and fifty cents;

(2) For initial application to take an examination under section 4713.24 of the Revised Code, thirty-one dollars and fifty cents;

(3) For application to take an examination under section 4713.24 of the Revised Code by an applicant who has previously applied to take, but failed to appear for, the examination, forty dollars;

(4) For application to re-take an examination under section 4713.24 of the Revised Code by an applicant who has previously appeared for, but failed to pass, the examination, thirty-one dollars and fifty cents;

(5) For the issuance of a license under section 4713.28, 4713.30, or

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reimburse county departments of job and family services, local law enforcement agencies, and county prosecutors for all or part of the costs they incur in implementing sections 5101.60 to ~~5101.71~~ 5101.73 of the Revised Code. The director of job and family services shall adopt internal management rules in accordance with section 111.15 of the Revised Code that provide for reimbursement of county departments of job and family services, local law enforcement agencies, and county prosecutors under this section.

The director shall adopt internal management rules in accordance with section 111.15 of the Revised Code that do both of the following:

(A) Implement sections 5101.60 to 5101.71 of the Revised Code;

(B) Require the county departments, local law enforcement agencies, and county prosecutors to collect and submit to the department, or ensure that a designated agency collects and submits to the department, data concerning the implementation of sections 5101.60 to ~~5101.71~~ 5101.73 of the Revised Code.

Sec. 5101.62. The department of job and family services shall do all of the following:

(A) Provide a program of ongoing, comprehensive, formal training on the implementation of sections 5101.60 to 5101.73 of the Revised Code and require all protective services caseworkers and their supervisors to undergo the training;

(B) Develop and make available educational materials for individuals who are required under section 5101.63 of the Revised Code to make reports of abuse, neglect, and exploitation;

(C) Facilitate ongoing cooperation among state agencies on issues pertaining to the abuse, neglect, or exploitation of adults.

Sec. ~~5101.61~~ 5101.63. (A) ~~As used in this section:~~

~~(1) "Senior service provider" means any person who provides care or services to a person who is an adult as defined in division (B) of section 5101.60 of the Revised Code.~~

~~(2) "Ambulatory health facility" means a nonprofit, public or proprietary freestanding organization or a unit of such an agency or organization that:~~

~~(a) Provides preventive, diagnostic, therapeutic, rehabilitative, or palliative items or services furnished to an outpatient or ambulatory patient, by or under the direction of a physician or dentist in a facility which is not a part of a hospital, but which is organized and operated to provide medical care to outpatients;~~

~~(b) Has health and medical care policies which are developed with the advice of, and with the provision of review of such policies, an advisory~~

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determined to need the services and consents to receive them. These services may include, but are not limited to, service and support administration, fiscal management, medical, mental health, home health care, homemaker, legal, and residential services and the provision of temporary accommodations and necessities such as food and clothing. The services do not include acting as a guardian, trustee, or protector as defined in section 5123.55 of the Revised Code. If the provision of residential services would require expenditures by the department of developmental disabilities, the county board shall obtain the approval of the department prior to arranging the residential services.

To arrange services, the county board shall:

(1) Develop an individualized service plan identifying the types of services required for the adult, the goals for the services, and the persons or agencies that will provide them;

(2) In accordance with rules established by the director of developmental disabilities, obtain the consent of the adult or the adult's guardian to the provision of any of these services and obtain the signature of the adult or guardian on the individualized service plan. An adult who has been found incompetent under Chapter 2111. of the Revised Code may consent to services. If the county board is unable to obtain consent, it may seek, if the adult is incapacitated, a court order pursuant to section 5126.33 of the Revised Code authorizing the board to arrange these services.

(D) The county board shall ensure that the adult receives the services arranged by the board from the provider and shall have the services terminated if the adult withdraws consent.

(E) On completion of a review, the county board shall submit a written report to the registry office established under section 5123.61 of the Revised Code. If the report includes a finding that an individual with a developmental disability is a victim of action or inaction that may constitute a crime under federal law or the law of this state, the board shall submit the report to the law enforcement agency responsible for investigating the report. Reports prepared under this section are not public records as defined in section 149.43 of the Revised Code.

SECTION 130.32. That existing sections 173.501, 173.521, 173.542, 1347.08, 2317.54, 4715.36, 5101.60, 5101.61, 5101.611, 5101.612, 5101.62, 5101.622, 5101.63, 5101.64, 5101.65, 5101.66, 5101.67, 5101.68, 5101.69, 5101.691, 5101.692, 5101.70, 5101.71, 5101.72, 5101.99, 5123.61, and 5126.31 and section 5101.621 of the Revised Code are hereby repealed. JRK

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the Speaker of the House of Representatives, the Director and members of the Joint Education Oversight Committee, and the members of the primary and secondary education committees of the Senate and the House of Representatives.

SECTION 265.490. Upon receipt of federal funds under Title IV, Part A, Student Support and Academic Enrichment Grants, and after payments are made pursuant to education programs included in this block grant program, the Department shall direct any unused funds to cover all or part of the cost of Advanced Placement tests and International Baccalaureate registration and exam fees for low-income students.

SECTION 265.500. (A) "Eligible sponsor" means a sponsor to which both of the following apply with respect to the sponsor evaluation conducted under section 3314.016 of the Revised Code for the 2015-2016 school year:

(1) The sponsor had its sponsorship authority revoked for receiving an overall rating of "poor" under division (B)(7)(c) of section 3314.016 of the Revised Code.

(2) The sponsor received a score of "3" or higher or a grade of "B" or higher on the academic performance component of the sponsor rating under division (B)(1)(a) of section 3314.016 of the Revised Code.

(B) Notwithstanding section 3314.016 of the Revised Code, an eligible sponsor may, for the 2017-2018 school year renew its sponsorship of any school it sponsored prior to the revocation of its sponsorship authority as a result of the sponsor evaluation conducted under section 3314.016 of the Revised Code for the 2015-2016 school year.

(C) If an eligible sponsor renews sponsorship of a school under division (B) of this section and receives a score of "3" or a "B" or higher, or an equivalent score as determined by the Department of Education, on the academic performance component of the sponsor rating under division (B)(1)(a) of section 3314.016 of the Revised Code for the 2017-2018 school year, that sponsor may continue to sponsor that school for the 2018-2019 school year so long as the sponsor receives an overall rating of "ineffective" or higher.

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SECTION 265.511. Effective July 1, 2017, all of the following shall apply with respect to the Straight A Program created under Section 263.350 of Am. Sub. H.B. 64 of the 131st General Assembly:

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classification, reclassification, transfer, reduction, promotion, or demotion of employees authorized by this section.

SECTION 333.30. For fiscal years 2018 and 2019, the Director of Budget and Management may transfer appropriation between appropriation item 651425, Medicaid Program Support – State, and appropriation item 655425, Medicaid Program Support. Any appropriation so transferred shall be used to resolve funding issues resulting from the transfer of medical assistance programs from the Department of Job and Family Services to the Department of Medicaid.

SECTION 333.33. CASH TRANSFERS TO THE HEALTH AND HUMAN SERVICES FUND

On July 1, 2017, or as soon as possible thereafter, the Director of Budget and Management shall transfer $41,840,600 cash from the General Revenue Fund to the Health and Human Services Fund.

Upon Controlling Board authorization of expenditures under division (B) of the section of this act titled "HEALTH AND HUMAN SERVICES FUND CONTINUED" during fiscal year 2018, the Director of Budget and Management may transfer up to $26,309,868 cash from the Support and Recoveries Fund (Fund 5DL0), and up to $196,226,296 cash from the HIC Class Franchise Fee Fund (Fund 5TN0) to the Health and Human Services Fund.

On July 1, 2018, or as soon as possible thereafter, the Director of Budget and Management shall transfer $49,320,340 cash from the General Revenue Fund to the Health and Human Services Fund.

Upon Controlling Board authorization of expenditures under division (B) of the section of this act titled "HEALTH AND HUMAN SERVICES FUND CONTINUED" during fiscal year 2019, the Director of Budget and Management may transfer up to $34,667,668 cash from the Support and Recoveries Fund (Fund 5DL0), and up to $226,841,369 cash from the HIC Class Franchise Fee Fund (Fund 5TN0) to the Health and Human Services Fund.

SECTION 333.34. HEALTH AND HUMAN SERVICES FUND CONTINUED

(A) The Health and Human Services Fund created under Section 751.40 of Am. Sub. H.B. 64 of the 131st General Assembly shall continue to exist

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during the 2018-2019 fiscal biennium.

(B) The Medicaid Director may request the Controlling Board to authorize expenditure from the Health and Human Services Fund in an amount necessary to pay for the costs of the Medicaid program during the 2018-2019 fiscal biennium. The Controlling Board may authorize the expenditure if the United States Congress has not amended on or after the effective date of this section section 1905(y) of the "Social Security Act," 42 U.S.C. 1396d(y), in a manner that reduces the federal medical assistance percentage for newly eligible individuals described in section 1902(a)(10)(A)(i)(VIII) of the "Social Security Act," 42 U.S.C. 1396a(a)(10)(A)(i)(VIII). JRK

SECTION 333.40. MEDICAID HEALTH CARE SERVICES

The foregoing appropriation item 651525, Medicaid Health Care Services, shall not be limited by section 131.33 of the Revised Code.

SECTION 333.50. MANAGED CARE PERFORMANCE PAYMENT PROGRAM

At the beginning of each quarter, or as soon as possible thereafter, the Medicaid Director shall certify to the Director of Budget and Management the amount withheld in accordance with section 5167.30 of the Revised Code and this section for purposes of the Managed Care Performance Payment Program.

Notwithstanding section 5167.30 of the Revised Code and for only fiscal year 2019, the sum of all withholdings from Medicaid managed care organizations' premium payments under division (B) of that section shall be one per cent of the premium payments. JRK

SECTION 333.60. PERFORMANCE PAYMENTS FOR MEDICAID MANAGED CARE

(A) As used in this section:

(1) "ICDS participant" has the same meaning as in section 5164.01 of the Revised Code.

(2) "Integrated Care Delivery System" and "ICDS" have the same meaning as section 5164.01 of the Revised Code.

(3) "Medicaid managed care organization" has the same meaning as in section 5167.01 of the Revised Code.

(B) For fiscal year 2018 and fiscal year 2019, the Department of

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Director of Job and Family Services, the Director of Budget and Management may transfer up to $45,100,000 in appropriation from appropriation item 651525, Medicaid Health Care Services, to appropriation item 655523, Medicaid Program Support-Local Transportation. Any appropriation so transferred shall be used by the Department of Job and Family Services to continue to administer the Medicaid transportation program.

SECTION 333.160. STATE PLAN HOME AND COMMUNITY-BASED SERVICES

For the period beginning July 1, 2017, and ending on the effective date of the enactment by this act of section 5164.10 of the Revised Code, the Medicaid program may continue to cover state plan home and community-based services in the same manner that it covered the services during fiscal year 2016 and fiscal year 2017 under Section 327.190 of Am. Sub. H.B. 64 of the 131st General Assembly. Beginning with the effective date of the enactment by this act of section 5164.10 of the Revised Code, the Medicaid program may cover state plan home and community-based services in accordance with that section.

SECTION 333.165. FISCAL YEAR 2018 AND FISCAL YEAR 2019 CAP ON NURSING FACILITY PAYMENTS

(A) As used in this section:

(1) "Consulting organizations" means all of the following organizations:

(a) LeadingAge Ohio;

(b) The Academy of Senior Health Sciences;

(c) The Ohio Health Care Association.

(2) "Integrated care delivery system" has the same meaning as in section 5164.01 of the Revised Code.

(3) "Medicaid managed care organization" has the same meaning as in section 5167.01 of the Revised Code.

(4) "Nursing facility" and "nursing facility services" have the same meanings as in section 5165.01 of the Revised Code.

JRK

(B) The total amount of payments made by the Department of Medicaid under the fee-for-service component of the Medicaid program in accordance with Chapter 5165. of the Revised Code, and by Medicaid managed care organizations under the Integrated Care Delivery System, for nursing facility services provided during fiscal year 2018 and fiscal year 2019 shall not exceed the following:

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(1) For fiscal year 2018, $2,659,167,368;
(2) For fiscal year 2019, $2,664,485,703.

(C)(1) The Department, in conjunction with the consulting organizations, shall do all of the following:

(a) Monitor the payments made under the fee-for-service component of the Medicaid program and the Integrated Care Delivery System for nursing facility services provided during fiscal year 2018 and fiscal year 2019;

(b) Beginning with the calendar quarter ending December 31, 2017, and each calendar quarter thereafter during fiscal year 2018 and fiscal year 2019, project whether the total amount of payments to be made for the fiscal year will exceed the applicable amount specified in division (B) of this section;

(c) If the total amount of payments to be made for fiscal year 2018 or fiscal year 2019 is projected under division (C)(1)(b) of this section to exceed the applicable amount specified in division (B) of this section, determine the percentage by which each nursing facility's rate under the fee-for-service component of the Medicaid program and the Integrated Care Delivery System needs to be reduced for the immediately following calendar quarter to ensure that the total amount of the payments to be made for the fiscal year will equal the applicable amount specified in division (B) of this section.

(2) For the purpose of division (C)(1)(a) of this section, the Department shall provide to the consulting organizations data about the payments on a monthly basis.

JRK

(D) If a rate reduction is needed to ensure that the total amount of payments made under the fee-for-service component of the Medicaid program and the Integrated Care Delivery System for nursing facility services provided during fiscal year 2018 or fiscal year 2019 equals the applicable amount specified in division (B) of this section, each nursing facility's rate shall be reduced by the percentage determined under division (C)(1)(c) of this section. The reduction shall take effect on the first day of the immediately following calendar quarter. The Department shall notify the consulting organizations of the percentage reduction at least thirty days before it is to take effect.

SECTION 333.180. MEDICAID PAYMENT RATES FOR NONINSTITUTIONAL PROVIDERS

Notwithstanding section 5164.70 of the Revised Code as in effect on June 30, 2017, the Department of Medicaid may establish Medicaid payment rates for services provided by a Medicaid provider, other than a hospital, nursing facility, or intermediate care facility for individuals with

The above boxed and initialed text was disapproved.

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section.

(C) The Department of Health and Department of Mental Health and Addiction Services shall assist the Department of Medicaid with the operation of the pilot program.

(D) Not later than October 1, 2019, the Department of Medicaid shall complete a report about the pilot program. The report shall include the Department's recommendations about making the pilot program a permanent and statewide program. The Department shall submit the report to the Governor, General Assembly, and Joint Medicaid Oversight Committee. The copy to the General Assembly shall be submitted in accordance with section 101.68 of the Revised Code. The Department also shall make the report available to the public.

SECTION 333.240. PAYMENT RATES FOR HOSPITAL SERVICES

The Medicaid payment rate for a hospital service provided during the period beginning July 1, 2017, and ending June 30, 2019, shall equal the rate that was in effect for the same type of hospital service on January 1, 2017, except for any change in that rate that occurs as a result of any rebasing or recalibration of hospital payment rates by the Department of Medicaid on July 1, 2017.

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SECTION 333.260. BEHAVIORAL HEALTH REDESIGN

(A) As used in this section:

(1) "Community addiction services provider" has the same meaning as in section 5119.01 of the Revised Code.

(2) "Community behavioral health services" means both of the following:

(a) Alcohol and drug addiction services provided by a community addiction services provider;

(b) Mental health services provided by a community mental health services provider.

(3) "Community behavioral health services provider" means both of the following:

(a) A community addiction services provider;

(b) A community mental health services provider.

(4) "Community mental health services provider" has the same meaning as in section 5119.01 of the Revised Code.

(B) None of the following changes to the Medicaid program's coverage of community behavioral health services may be implemented before the

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(F) On submission of its report, the study committee shall cease to exist.

SECTION 333.271. EXPANSION ELIGIBILITY GROUP FREEZE WAIVER

The Medicaid Director shall apply to the United States Centers for Medicare and Medicaid Services for a federal Medicaid waiver needed to implement section 5163.15 of the Revised Code.

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SECTION 333.273. HEALTHY OHIO PROGRAM WAIVER SUBMISSION

Not later than January 31, 2018, the Medicaid Director shall resubmit to the United States Department of Health and Human Services a request for a federal Medicaid waiver needed to implement the Healthy Ohio Program under sections 5166.40 to 5166.409 of the Revised Code.

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SECTION 333.280. GENERAL ASSEMBLY'S INTENT REGARDING MEDICAID

It is the intent of the General Assembly to use the Healthy Ohio Program, as defined in section 5166.40 of the Revised Code, as a model for making medical assistance available to the state's qualifying residents if the United States Congress transforms the Medicaid program into a federal block grant.

SECTION 333.283. GENERAL ASSEMBLY TO VOTE ON INCLUDING LONG-TERM CARE SERVICES IN MEDICAID MANAGED CARE

(A) As used in this section:

(1) "Care management system" means the system established under section 5167.03 of the Revised Code.

(2) "Integrated Care Delivery System" has the same meaning as in section 5164.01 of the Revised Code.

(3) "Long-term care services" means both of the following:

(a) Home and community-based services available under Medicaid waiver components as defined in section 5166.01 of the Revised Code;

(b) Nursing facility services as defined in section 5165.01 of the Revised Code.

(B) The General Assembly shall consider and vote on legislation that would authorize the inclusion of long-term care services in the care

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management system beyond the inclusion of those services that have been implemented under the Integrated Care Delivery System. ARC

SECTION 333.284. AREA AGENCIES ON AGING AND MEDICAID MANAGED CARE

(A) As used in this section:

(1) "Care management system" means the system established under section 5167.03 of the Revised Code.

(2) "Dual eligible individuals" has the same meaning as in section 5160.01 of the Revised Code.

(3) "Medicaid managed care organization" has the same meaning as in section 5167.01 of the Revised Code.

(4) "Medicaid waiver component" has the same meaning as in section 5166.01 of the Revised Code.

(B) If the Department of Medicaid expands the inclusion of the aged, blind, and disabled Medicaid eligibility group or dual eligible individuals in the care management system during the 2018-2019 fiscal biennium, the Department shall do both of the following for the remainder of the fiscal biennium:

(1) Require area agencies on aging to be the coordinators of home and community-based services available under Medicaid waiver components that those individuals and that eligibility group receive and permit Medicaid managed care organizations to delegate to the agencies full-care coordination functions for those services and other health-care services those individuals and that eligibility group receive;

(2) In selecting managed care organizations with which to contract under section 5167.10 of the Revised Code, give preference to those organizations that will enter into subcapitation arrangements with area agencies on aging under which the agencies are to perform, in addition to other functions, network management and payment functions for home and community-based services available under Medicaid waiver components that those individuals and that eligibility group receive.

SECTION 333.300. NONINSTITUTIONAL LABORATORY, RADIOLOGY, AND PATHOLOGY SERVICES

The Medicaid payment rates for noninstitutional laboratory, radiology, and pathology services provided to a Medicaid recipient during the period beginning January 1, 2018, and ending July 1, 2019, shall be five per cent lower than the rates for the services in effect on December 31, 2017.

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(1) For the 2017-2018 and 2018-2019 academic years, each state university or college, as defined in section 3345.12 and university branches established under Chapter 3355. of the Revised Code shall not increase its in-state undergraduate instructional, general, and all other fees over what the institution charged for the 2016-2017 academic year.

(2) For the 2017-2018 and 2018-2019 academic years, each community college established under Chapter 3354., state community college established under Chapter 3358., or technical college established under Chapter 3357. of the Revised Code may increase its in-state undergraduate instructional and general fees by not more than $10 per credit hour over what the institution charged for the previous academic year to support quality academic programming. JRIC

(3) The limitations under divisions (A)(1) and (2) of this section do not apply to room and board, student health insurance, fees for auxiliary goods or services provided to students at the cost incurred to the institution, noninstructional program fees, fees assessed to students as a pass-through for licensure and certification examinations, fees in elective courses associated with travel experiences, elective service charges, fines, voluntary sales transactions, career services, and fees, which may appear directly on a student's tuition bill as assessed by the institution's bursar, to offset the cost of providing textbooks to students. JRIC

(B) The limitations under this section shall not apply to increases required to comply with institutional covenants related to their obligations or to meet unfunded legal mandates or legally binding obligations incurred or commitments made prior to the effective date of this section with respect to which the institution had identified such fee increases as the source of funds. Any increase required by such covenants and any such mandates, obligations, or commitments shall be reported by the Chancellor of Higher Education to the Controlling Board. These limitations may also be modified by the Chancellor, with the approval of the Controlling Board, to respond to exceptional circumstances as identified by the Chancellor.

(C) These limitations shall not apply to institutions participating in an undergraduate tuition guarantee program pursuant to section 3345.48 of the Revised Code.

SECTION 381.170. HIGHER EDUCATION - BOARD OF TRUSTEES

(A) Funds appropriated for instructional subsidies at colleges and universities may be used to provide such branch or other off-campus undergraduate courses of study and such master's degree courses of study as may be approved by the Chancellor of Higher Education.

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| | | | | | | |
|---|---|---|---|---|---|---|
| 5JG0 | 110633 | Gross Casino Revenue Payments-County | $ | 128,400,000 | $ | 126,500,000 |
| 5JH0 | 110634 | Gross Casino Revenue Payments- School Districts | $ | 85,600,000 | $ | 84,300,000 |
| 5JJ0 | 110636 | Gross Casino Revenue - Host City | $ | 12,500,000 | $ | 12,400,000 |
| 7047 | 200902 | Property Tax Replacement Phase Out-Education | $ | 207,311,667 | $ | 165,229,141 |
| 7049 | 336900 | Indigent Drivers Alcohol Treatment | $ | 2,250,000 | $ | 2,250,000 |
| 7050 | 762900 | International Registration Plan Distribution | $ | 22,000,000 | $ | 22,000,000 |
| 7051 | 762901 | Auto Registration Distribution | $ | 325,000,000 | $ | 325,000,000 |
| 7060 | 110960 | Gasoline Excise Tax Fund | $ | 375,000,000 | $ | 375,000,000 |
| 7065 | 110965 | Public Library Fund | $ | 386,300,000 | $ | 398,100,000 |
| 7066 | 800966 | Undivided Liquor Permits | $ | 14,600,000 | $ | 14,600,000 |
| 7068 | 110968 | State and Local Government Highway Distributions | $ | 196,000,000 | $ | 196,000,000 |
| 7069 | 110969 | Local Government Fund | $ | 381,800,000 | $ | 393,500,000 |
| 7081 | 110907 | Property Tax Replacement Phase Out-Local Government | $ | 30,844,526 | $ | 16,700,147 |
| 7082 | 110982 | Horse Racing Tax | $ | 60,000 | $ | 60,000 |
| 7083 | 700900 | Ohio Fairs Fund | $ | 1,000,000 | $ | 1,000,000 |
| 7104 | 110997 | Medicaid Local Sales Tax Transition Fund | $ | 207,000,000 | $ | 0 |
| TOTAL RDF Revenue Distribution Fund Group | | | $ | 2,375,666,193 | $ | 2,132,639,288 |
| Fiduciary Fund Group | | | | | | |
| 4P80 | 001698 | Cash Management Improvement Fund | $ | 3,100,000 | $ | 3,100,000 |
| 5UD0 | 110648 | Poundage Fee Compensation Fund | $ | 0 | $ | 18,950,000 |
| 6080 | 001699 | Investment Earnings | $ | 120,000,000 | $ | 125,000,000 |
| 7001 | 110996 | Horse Racing Tax Local Government Payments | $ | 240,000 | $ | 240,000 |
| 7062 | 110962 | Resort Area Excise Tax Distribution | $ | 1,200,000 | $ | 1,200,000 |
| 7063 | 110963 | Permissive Sales Tax Distribution | $ | 2,577,800,000 | $ | 2,653,900,000 |
| 7067 | 110967 | School District Income Tax Distribution | $ | 435,200,000 | $ | 451,200,000 |
| 7085 | 800985 | Volunteer Firemen's Dependents Fund | $ | 300,000 | $ | 300,000 |
| 7093 | 110640 | Next Generation 9-1-1 | $ | 1,000,000 | $ | 1,000,000 |
| 7094 | 110641 | Wireless 9-1-1 Government Assistance | $ | 25,700,000 | $ | 25,700,000 |
| 7095 | 110995 | Municipal Income Tax | $ | 8,000,000 | $ | 8,000,000 |
| 7099 | 762902 | Permissive Tax Distribution - Auto Registration | $ | 180,000,000 | $ | 180,000,000 |
| TOTAL FID Fiduciary Fund Group | | | $ | 3,352,540,000 | $ | 3,468,590,000 |
| Holding Account Fund Group | | | | | | |
| R045 | 110617 | International Fuel Tax | $ | 36,100,000 | $ | 36,100,000 |

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The above boxed and initialed text was disapproved.

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| | |
|---|---|
| Greater Dayton Regional Transit Authority | $4,605,453 |
| Portage Area Regional Transit Authority | $234,905 |
| Stark Area Regional Transit Authority | $735,589 |
| Metro Regional Transit Authority | $2,315,641 |

POUNDAGE FEE COMPENSATION FUND

The foregoing appropriation item, 110648, Poundage Fee Compensation Fund, shall be used to make payments to county treasurers of poundage fee replacement payments provided under division (B)(5) of section 4505.06 of the Revised Code. County treasurers shall deposit the amounts transferred into the county certificate of title administration fund. If it is determined that additional appropriations are necessary to make such payments, such amounts are hereby appropriated.

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SECTION 389.10. SAN BOARD OF SANITARIAN REGISTRATION

| | | | | |
|---|---|---|---|---|
| Dedicated Purpose Fund Group | | | | |
| 4K90 893609 | Operating Expenses | $ 43,633 | $ | 0 |
| TOTAL DPF Dedicated Purpose Fund Group | | $ 43,633 | $ | 0 |
| TOTAL ALL BUDGET FUND GROUPS | | $ 43,633 | $ | 0 |

SECTION 391.10. OSB OHIO STATE SCHOOL FOR THE BLIND

| | | | | |
|---|---|---|---|---|
| General Revenue Fund | | | | |
| GRF 226321 | Operations | $ 10,147,767 | $ | 10,385,938 |
| TOTAL GRF General Revenue Fund | | $ 10,147,767 | $ | 10,385,938 |
| Dedicated Purpose Fund Group | | | | |
| 4H80 226602 | Education Reform Grants | $ 354,000 | $ | 354,000 |
| 4M50 226601 | Work Study and Technology Investment | $ 461,521 | $ | 461,521 |
| 5NJ0 226622 | Food Service Program | $ 9,500 | $ | 9,500 |
| TOTAL DPF Dedicated Purpose Fund Group | | $ 825,021 | $ | 825,021 |
| Federal Fund Group | | | | |
| 3100 226626 | Federal Grants | $ 183,000 | $ | 183,000 |
| 3DT0 226621 | Ohio Transition Collaborative | $ 650,000 | $ | 650,000 |
| 3P50 226643 | Medicaid Professional Services Reimbursement | $ 100,000 | $ | 100,000 |
| TOTAL FED Federal Fund Group | | $ 933,000 | $ | 933,000 |
| TOTAL ALL BUDGET FUND GROUPS | | $ 11,905,788 | $ | 12,143,959 |

SECTION 393.10. OSD OHIO SCHOOL FOR THE DEAF

The above boxed and initialed text was disapproved.

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administer the tax amnesty program to be conducted from January 1, 2018, to February 15, 2018, by the Department of Taxation. The Department of Taxation and Attorney General's Office shall work in close collaboration on promotion activities in relation to the Tax Amnesty Promotion and Administration program.

SECTION 411.10. DOT DEPARTMENT OF TRANSPORTATION

| | | | | | |
|---|---|---|---|---|---|
| General Revenue Fund | | | | | |
| GRF | 772502 | Local Transportation Projects | $ 250,000 | $ | 0 |
| GRF | 775451 | Public Transportation - State | $ 6,500,000 | $ | 6,500,000 |
| GRF | 776465 | Rail Development | $ 985,000 | $ | 1,000,000 |
| GRF | 777471 | Airport Improvements - State | $ 6,455,000 | $ | 5,910,000 |
| TOTAL GRF General Revenue Fund | | | $ 14,190,000 | $ | 13,410,000 |
| Dedicated Purpose Fund Group | | | | | |
| 5QT0 | 776670 | Ohio Maritime Assistance Program | $ 2,000,000 | $ | 2,000,000 |
| TOTAL DPF Dedicated Purpose Fund | | | $ 2,000,000 | $ | 2,000,000 |
| TOTAL ALL BUDGET FUND GROUPS | | | $ 16,190,000 | $ | 15,410,000 |

JRK

SECTION 411.13. LOCAL TRANSPORTATION PROJECTS

The foregoing appropriation item 772502, Local Transportation Projects, shall be allocated to support the regional transportation improvement project in Carroll, Columbiana, and Stark counties.

SECTION 411.20. AIRPORT IMPROVEMENTS – STATE

The foregoing appropriation item 777471, Airport Improvements – State, shall be used by the Department of Transportation to continue the Ohio Airport Grant Program in supporting capital improvements, maintaining infrastructure, and ensuring safety at publicly owned, public use airports in the state, provided that the airports receive neither Federal Aviation Administration Air Carrier Enplanement Funds nor Air Cargo Entitlements.

Of the foregoing appropriation item 777471, Airport Improvements – State, $455,000 in fiscal year 2018 shall be allocated to the Columbus Regional Airport Authority to support expenses related to the renaming of the Port Columbus International Airport, as enacted in Am. Sub. S.B. 159 of the 131st General Assembly. Use of the allocated funds may include the cost of replacing signage or other related expenses that have been incurred subsequent to the enactment of Am. Sub. S.B. 159 of the 131st General Assembly, or future expenses associated with the name change from Port Columbus International Airport to the John Glenn International Airport.

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Of the foregoing appropriation item 777471, Airport Improvements – State, $100,000 in fiscal year 2018 shall be allocated to support the installation of four new airline gates at the Akron-Canton Airport.

SECTION 411.30. OHIO MARITIME ASSISTANCE PROGRAM

The foregoing appropriation item 776670, Ohio Maritime Assistance Program, shall be used for the Ohio Maritime Assistance Program established in section 5501.91 of the Revised Code.

Notwithstanding anything to the contrary in Chapter 166. of the Revised Code, at the request of the Director of Transportation, the Director of Budget and Management shall transfer $2,000,000 cash in each fiscal year from the Facilities Establishment Fund (Fund 7037) to the Ohio Maritime Assistance Fund (Fund 5QT0), which is hereby created in the state treasury. The Ohio Maritime Assistance Fund shall consist of state and federal dollars allocated to it as permitted by law. JRK

SECTION 413.10. TOS TREASURER OF STATE

| | | | | |
|---|---|---|---|---|
| General Revenue Fund | | | | |
| GRF 090321 | Operating Expenses | $ 8,038,581 | $ | 8,037,839 |
| GRF 090401 | Office of the Sinking Fund | $ 476,836 | $ | 476,836 |
| GRF 090402 | Continuing Education | $ 175,000 | $ | 175,000 |
| GRF 090406 | Treasury Management System Lease Rental Payments | $ 1,113,900 | $ | 1,114,700 |
| GRF 090613 | ABLE Account Administration | $ 1,660,000 | $ | 1,660,000 |
| TOTAL GRF General Revenue Fund | | $ 11,464,317 | $ | 11,464,375 |
| Dedicated Purpose Fund Group | | | | |
| 4E90 090603 | Securities Lending Income | $ 5,415,468 | $ | 5,415,468 |
| 5770 090605 | Investment Pool Reimbursement | $ 1,050,000 | $ | 1,050,000 |
| 5C50 090602 | County Treasurer Education | $ 320,057 | $ | 320,057 |
| 5NH0 090610 | OhioMeansJobs Workforce Development | $ 15,150,000 | $ | 0 |
| 6050 090609 | Treasurer of State Administrative Fund | $ 700,000 | $ | 700,000 |
| TOTAL DPF Dedicated Purpose Fund Group | | $ 22,635,525 | $ | 7,485,525 |
| Fiduciary Fund Group | | | | |
| 4250 090635 | Tax Refunds | $ 12,000,000 | $ | 12,000,000 |
| TOTAL FID Fiduciary Fund Group | | $ 12,000,000 | $ | 12,000,000 |
| TOTAL ALL BUDGET FUND GROUPS | | $ 46,099,842 | $ | 30,949,900 |

SECTION 413.20. OFFICE OF THE SINKING FUND

The foregoing appropriation item 090401, Office of the Sinking Fund,

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(6) The department of youth services;
(7) The department of public safety;
(8) The department of transportation;
(9) The department of veterans services;
(10) The bureau of workers' compensation;
(11) The department of administrative services;
(12) The state school for the deaf;
(13) The state school for the blind. ~~Requests~~

(B) A state agency that wishes to administer a project under division (A) of this section shall submit a request for authorization ~~to administer capital facilities projects shall be made~~ through the ~~OAKS CI~~ Ohio administrative knowledge system capital improvements application ~~by the applicable state agency~~. Upon the release of funds for the projects by the ~~Controlling Board~~ controlling board or the ~~Director~~ director of ~~Budget~~ budget and ~~Management~~ management, the agency may administer the capital project or projects for which agency administration has been authorized without the supervision, control, or approval of the ~~Executive Director~~ executive director of the Ohio ~~Facilities Construction Commission~~ facilities construction commission.

(C) A state agency authorized by the ~~Executive Director~~ executive director of the Ohio ~~Facilities Construction Commission~~ facilities construction commission to administer capital facilities projects pursuant to this section shall comply with the applicable procedures and guidelines established in Chapter 153. of the Revised Code and shall track all project information in ~~OAKS CI~~ the Ohio administrative knowledge system capital improvements application pursuant to Ohio ~~Facilities Construction Commission~~ facilities construction commission guidelines.

SECTION 610.21. That existing Section 529.10 of S.B. 310 of the 131st General Assembly is hereby repealed.

SECTION 610.23. That Sections 213.10, 213.20, 217.10, 223.50, and 229.40 of S.B. 310 of the 131st General Assembly be amended to read as follows: JRK

Sec. 213.10. DAS DEPARTMENT OF ADMINISTRATIVE SERVICES

| | | |
|---|---|---|
| Building Improvement Fund (Fund 5KZ0) | | |
| C10035 Building Improvement | $ | 10,693,000 |
| TOTAL Building Improvement Fund | $ | 10,693,000 |
| Administrative Building Fund (Fund 7026) | | |

JRK

The above boxed and initialed text was disapproved.
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| | | | |
|---|---|---|---|
| C10011 | Statewide Communications System | $ | 3,900,000 |
| C10015 | SOCC Facility Renovations | $ | 15,884,371 |
| C10020 | North High Street Complex Renovation | $ | 18,075,000 |
| C10034 | Aronoff Center - Systems/Capital Replacement | $ | 750,000 |
| C10036 | Rhodes Tower Renovations | $ | 19,250,000 |
| C10037 | Voting Machine Reimbursement | $ | 1,000,000 |
| TOTAL Administrative Building Fund | | $ | ~~57,859,371~~ 58,859,371 |
| TOTAL ALL FUNDS | | $ | ~~68,552,371~~ 69,552,371 |

VOTING MACHINE REIMBURSEMENT

The foregoing appropriation item C10037, Voting Machine Reimbursement, shall be used to reimburse counties that have entered into agreements for new voting machines and associated services and equipment on or after January 1, 2014, for up to 50 per cent of their acquisition costs. Counties shall notify the Office of Procurement Services of the agreement to be reimbursed, and provide all necessary information to the Office before reimbursement can be issued. All reimbursements made from this appropriation are not to exceed $250,000, and shall be paid to the county's general fund.

JRK

Sec. 213.20. The Treasurer of State is hereby authorized to issue and sell, in accordance with Section 2i of Article VIII, Ohio Constitution, and Chapter 154. and other applicable sections of the Revised Code, original obligations in an aggregate principal amount not to exceed ~~$102,000,000~~ $103,500,000 in addition to the original issuance of obligations heretofore authorized by prior acts of the General Assembly. These authorized obligations shall be issued, subject to applicable constitutional and statutory limitations, as needed to provide sufficient moneys to the credit of the Administrative Building Fund (Fund 7026) to pay costs associated with previously authorized capital facilities and the appropriations in this act made from Fund 7026.

Sec. 217.10. COM DEPARTMENT OF COMMERCE

State Fire Marshal Fund (Fund 5460)

| | | | |
|---|---|---|---|
| C80009 | Forensic Laboratory Equipment | $ | 110,000 |
| C80023 | SFM Renovations and Improvements | $ | 1,900,000 |
| C80026 | Forensic Evidence Storage/Maintenance Structure | $ | 2,187,500 |
| TOTAL State Fire Marshal Fund | | $ | 4,197,500 |

Administrative Building Fund (Fund 7026)

| | | | |
|---|---|---|---|
| C80032 | Wellston Burn Building | $ | 300,000 |
| C80033 | Wayne County Regional Training Facility | $ | 500,000 |
| TOTAL Administrative Building Fund | | $ | ~~300,000~~ 800,000 |
| TOTAL ALL FUNDS | | $ | ~~4,497,500~~ 4,997,500 |

Sec. 223.50. The Treasurer of State is hereby authorized to issue and sell, in accordance with Section 2i of Article VIII, Ohio Constitution, and

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Chapter 154. of the Revised Code, particularly section 154.22 of the Revised Code, original obligations in an aggregate principal amount not to exceed ~~$217,000,000~~ $218,000,000, in addition to the original issuance of obligations heretofore authorized by prior acts of the General Assembly. These authorized obligations shall be issued, subject to applicable constitutional and statutory limitations, as needed to provide sufficient moneys to the credit of the Parks and Recreation Improvement Fund (Fund 7035) to pay the costs of capital facilities for parks and recreation as defined in section 154.01 of the Revised Code.

Sec. 229.40. The Treasurer of State is hereby authorized to issue and sell, in accordance with Section 2i of Article VIII, Ohio Constitution, and Chapter 154. and section 307.021 of the Revised Code, original obligations in an aggregate principal amount not to exceed ~~$142,000,000~~ $143,000,000 in addition to the original issuance of obligations heretofore authorized by prior acts of the General Assembly. These authorized obligations shall be issued, subject to applicable constitutional and statutory limitations, as needed to provide sufficient moneys to the credit of the Adult Correctional Building Fund (Fund 7027) to pay costs associated with previously authorized capital facilities and the appropriations in this act from Fund 7027 for the Department of Rehabilitation and Correction.

SECTION 610.24. That existing Sections 213.10, 213.20, 217.10, 223.50, and 229.40 of S.B. 310 of the 131st General Assembly are hereby repealed. JKK

SECTION 610.25. That Section 253.330 of Am. Sub. S.B. 260 of the 131st General Assembly be amended to read as follows:

Sec. 253.330. UCN UNIVERSITY OF CINCINNATI

| | | | Reappropriations |
|---|---|---|---|
| Higher Education Improvement Taxable Fund (Fund 7024) | | | |
| C26690 | Hamilton County Fairgrounds Improvements - Taxable | $ | 27,567 |
| TOTAL Higher Education Improvement Taxable Fund | | $ | 27,567 |
| Higher Education Improvement Fund (Fund 7034) | | | |
| C26502 | Raymond Walters Renovations | $ | 1,112 |
| C26503 | Institutional and Data Processing Equipment | $ | 59,883 |
| C26553 | Developmental Neurobiology | $ | 303,750 |
| C26604 | Barrett Cancer Center | $ | 27,594 |
| C26606 | Hebrew Union College | $ | 119,167 |
| C26615 | Beech Acres | $ | 1,790 |
| C26666 | Snyder Building Roof Replacement - Clermont | $ | 472,048 |
| C26669 | General Electric Aviation Research Center | $ | 1,023,199 |
| C26671 | Muntz Hall Renovations, 100 Level | $ | 42,791 |
| C26673 | MRI Pilot Microfactory | $ | 50,976 |
| C26676 | Wherry and Health Professions Building Rehabilitation | $ | 7,323,893 |

The above boxed and initialed text was disapproved.

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SECTION 733.20. The revisions by this act to section 3365.03 of the Revised Code shall first apply to students seeking to participate in the College Credit Plus program during the 2018-2019 school year. For participation during the 2017-2018 school year, students shall meet the eligibility requirements prescribed by section 3365.03 of the Revised Code, as it existed prior to the effective date of this section.

SECTION 733.40. Not later than July 1, 2018, the Department of Education, in consultation with the Department of Higher Education and the Governor's Office of Workforce Transformation, shall develop both of the following:

(A) A plan that permits and encourages school districts and chartered nonpublic schools to integrate academic content in subject areas for which the State Board of Education adopts standards under section 3301.079 of the Revised Code into other coursework so that students may earn simultaneous credit in accordance with division (I) of section 3313.603 of the Revised Code;

(B) Guidance to assist school districts and schools that choose to implement integrated coursework under division (I) of section 3313.603 of the Revised Code that includes guidance on appropriate licensure teachers must have to teach integrated coursework and guidance on appropriately integrating subject area content into course curriculum to ensure that students receive instruction in the academic content necessary to meet graduation requirements.

SECTION 733.50. The Chancellor of Higher Education, in consultation with the Director of the Governor's Office of Workforce Transformation and the Superintendent of Public Instruction, shall work with the business community and higher education institutions to develop a program targeted at increasing the number of high school students in Ohio who pursue certificates or degrees in the field of advanced technology and cyber security.

SECTION 733.60. Beginning with the 2017-2018 school year, the Ohio Teacher Residency Program established under section 3319.223 of the Revised Code, as it existed prior to the effective date of this section, shall cease to exist. Any individual who is currently participating in the program

JRK

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shall not be required to complete the program or any component of the program. Additionally, the State Board of Education shall not require any applicant for a new educator license, or for renewal of any educator license, under section 3319.22 or 3319.26 of the Revised Code to complete the program or any component of the program as a condition for issuance of an educator license.

JR.

SECTION 733.61. The county OSU Extension office serving Ashtabula County shall establish a pilot program through which it employs a food policy coordinator. The food policy coordinator shall be responsible for connecting local food producers with local consumers such as the Lake Erie Correctional Institution, hospitals, nursing homes, schools, and supermarkets.

SECTION 733.63. The General Assembly finds that the Ohio FFA Association is an integral part of the organized instructional programs in career-technical agricultural education that prepare students for a wide range of careers in agriculture, agribusiness, and other agriculture-related occupations.

SECTION 733.65. (A) The Superintendent of Public Instruction shall establish a workgroup on related services personnel. The purpose of the workgroup shall be to improve the coordination of state, school, and provider efforts to address the related services needs of students with disabilities.

(B) The workgroup shall include the following members:

(1) Employees of the Department of Education, the Department of Higher Education, and other state agencies that have a role in addressing the related services needs of students with disabilities;

(2) Representatives of interested parties, which shall include at least the following:

(a) The Ohio Speech-Language-Hearing Association;

(b) The Ohio School Psychologists Association;

(c) The Ohio Educational Service Center Association.

(3) Representatives of school district superintendents, treasurers or business managers, and other school business officials.

(C) The workgroup shall do all of the following:

(1) Identify and evaluate causes and solutions for the shortage of related

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division (B)(2)(d) of section 3302.03 of the Revised Code, or a group of credentials equal to at least twelve points;

(c) Demonstrates successful workplace participation, as evidenced by documented completion of two hundred fifty hours of workplace experience and evidence of regular, written, positive evaluations from the workplace employer or supervisor and a representative of the school district or school. The workplace participation shall be based on a written agreement signed by the student, a representative of the district or school, and an employer or supervisor.

(C) As used in this section, "community school" means any community school established under Chapter 3314. and "STEM school" means any science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code.

SECTION 737.10. All money received by the Director of Environmental Protection under section 3751.05 of the Revised Code as that section existed prior to its amendment by this act shall remain in the Toxic Chemical Release Reporting Fund, to be used exclusively for purposes of implementing, administering, and enforcing Chapter 3751. of the Revised Code and rules adopted and orders issued under it. In addition, any money received by the Director after the act's effective date under section 3751.05 of the Revised Code for filing fees or late fees required to be paid under that section prior to the act's effective date shall be deposited in the Fund and used for those purposes.

SECTION 737.31. Any person who, on the effective date of this section, operates or maintains an aquatic amusement ride, as defined under section 3749.01 of the Revised Code as amended by this act, may continue to operate or maintain the ride without obtaining a license under section 3749.04 of the Revised Code until the person obtains an initial license during the month of April of 2018, in accordance with section 3749.04 of the Revised Code.

JRK

SECTION 749.20. (A) As used in this section:

(1) "Communications services" means any of the following:

(a) Telecommunications service, as defined in 47 U.S.C. 153(53);

(b) Cable service, as defined in 47 U.S.C. 522(6);

(c) Information service, as defined in 47 U.S.C. 153(24);

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| Credit | | | | | |
|---|---|---|---|---|---|
| R&D Loan Tax Credit | $4,500 | $4,500 | $4,500 | $4,000 | $30,000 |
| InvestOhio Tax Credit | $12,500 | $12,500 | $18,000 | $15,000 | $42,000 |
| Estimate Total | $227,000 | $227,000 | $362,295 | $324,000 | $1,510,205 |

*The Job Creation Tax Credit (JCTC) estimate of credits outstanding is not just for tax credit certificates already issued, but also for the estimated potential value of certificates to be issued under the program through 2035 when looking at the existing portfolio of approved and active incentives. The estimate assumes that the companies receiving credits will continue to meet the performance objectives required to continue receiving the credit.

SECTION 757.50. (A) The amendment by this act of section 5713.051 of the Revised Code clarifies the intent of the General Assembly that the method described in section 5713.051 of the Revised Code for determining the true value in money of oil and gas reserves for property tax purposes continues to represent the only method for valuing oil and gas reserves for property tax purposes.

(B) The amendment by this act of section 5713.051 of the Revised Code applies to any addition of oil and gas reserves to the tax list and duplicate on or after the effective date of that amendment, including oil and gas reserves added to the tax list pursuant to section 319.35, 319.36, or 5713.20 of the Revised Code. The amendment by this act of section 5713.051 of the Revised Code applies to any taxes for oil and gas reserves charged by a county auditor or county treasurer, including taxes for oil and gas reserves charged under section 319.40 or 5713.20 of the Revised Code on or after the effective date of that amendment.

(C) Division (B) of this section applies without regard to the tax year or tax years to which the addition or charged taxes relate.

JRK

SECTION 757.60. The Department of Taxation shall study the feasibility

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applies to taxable years beginning on or after January 1, 2018.

(D) The amendment by this act of section 718.27 of the Revised Code applies on and after the effective date of this section.

SECTION 803.110. The amendment by this act of sections 319.54, 321.27, 5731.46, and 5731.49 of the Revised Code applies to all settlements required under section 5731.46 of the Revised Code on and after the effective date of this section.

SECTION 803.120. The amendment by this act of sections 3734.9011, 5735.02, 5743.15, and 5743.61 of the Revised Code applies on and after January 1, 2018.

SECTION 803.140. The amendment by this act of sections 5739.01, 5739.02, and 5739.033 of the Revised Code, except for divisions (C) and (H) of section 5739.01 of the Revised Code, apply on and after October 1, 2017. JRL JRL

SECTION 803.150. The amendment by this act of section 5739.30 of the Revised Code applies on and after January 1, 2018.

SECTION 803.180. The amendment by this act of sections 5743.03 and 5743.081 of the Revised Code applies on and after July 1, 2017.

SECTION 803.210. The amendment or enactment by this act of sections 131.44, 131.51, 5747.50, 5747.502, 5747.503, 5747.504, 5747.51, and 5747.53 of the Revised Code applies to distributions made from the Local Government Fund on or after January 1, 2018. JRL JRL

SECTION 803.220. The amendment by this act of sections 5749.01, 5749.03, 5749.04, 5749.06, and 5749.17 of the Revised Code shall apply on and after October 1, 2017.

SECTION 803.260. The amendment by this act of divisions (B)(3)(e), (Y), and (LLL) of section 5739.01 of the Revised Code is intended to be JRL

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remedial in nature and to clarify existing law. Such amendments shall apply retrospectively to all cases pending on or transactions occurring on or after the effective date of the amendment of that section by Sub. H.B. 157 of the 127th General Assembly.

SECTION 803.270. The amendment by this act of divisions (A), (C), (D), and (I) of section 122.17 of the Revised Code concerning qualifying work-from-home employees applies to applications submitted under division (C)(1) of that section on or after the effective date of this section.

SECTION 803.280. The amendment by this act of section 307.283 and division (A)(4) of section 5739.026 of the Revised Code applies to grants awarded by a community improvements board on or after the effective date of this section as long as the act's amendments concerning the use of the grant revenue, as defined in section 307.283 of the Revised Code, are not inconsistent with the board of county commissioner's resolution levying the tax or the ballot language approved by the electors of the county.

SECTION 803.290. The amendment by this act of section 307.678 and division (J) and the third paragraph of division (A)(1) of section 5739.09 of the Revised Code is intended to promote development of sites and facilities for and in support of industry, commerce, distribution, and research and development within tourism development districts established in this state, in furtherance of the public purposes established under section 2p of Article VIII, Ohio Constitution, and thereby to create and preserve jobs, enhance employment and educational opportunities, and improve the quality of life and the general and economic well-being of the people and businesses of this state, all to better ensure the public health, safety, and welfare of the people of this state, through cooperative efforts and activities by political subdivisions, port authorities, and other persons in furtherance of these purposes, including funding, financing, and construction activities consistent with the procedures authorized and established in that amendment pursuant to division (F) of section 2p of Article VIII, Ohio Constitution. Therefore, the amendment applies to projects and related work, including funding, financing, and construction activities or proceedings with respect to projects, commenced or to be commenced, as well as all work, activities, and proceedings with respect to projects occurring or to occur, after the effective

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SECTION 803.330. The amendment by this act of section 4503.066 of the Revised Code shall apply to applications and forms due to the county auditor in tax year 2017 and thereafter.

SECTION 803.340. The amendment by this act of section 5709.92 of the Revised Code applies to payments to be made under that section in fiscal year 2018 and thereafter. JRK

SECTION 803.360. The amendment by this act of section 5747.70 of the Revised Code applies to taxable years beginning on or after January 1, 2018.

SECTION 803.370. The amendment by this act of sections 5743.01, 5743.51, 5743.62, and 5743.63 of the Revised Code applies to invoices dated on or after July 1, 2017.

SECTION 803.390. The enactment by this act of section 5709.101 of the Revised Code applies to tax year 2016 and every tax year thereafter. An exemption application for property described in that section for any tax year for which the time period described in division (F) of section 5715.27 of the Revised Code has expired before July 1, 2017, shall be filed with the Tax Commissioner on or before August 1, 2017, notwithstanding that division. Any taxes paid for a tax year for which such an exemption application is approved under this section shall be regarded as an overpayment of taxes for the tax year and shall be refunded in the manner prescribed by section 5715.22 of the Revised Code upon application by the property owner as prescribed in that section. The county auditor and county treasurer shall proceed as provided in that section in the same manner as for other overpayments of taxes.

SECTION 803.400. The amendment by this act of division (L) of section 5709.73 of the Revised Code applies to amendments adopted under that division on or after the effective date of the amendment to that division.

SECTION 803.410. The amendment by this act of section 5741.01 of the Revised Code applies on and after January 1, 2018.

The above boxed and initialed text was disapproved.

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Section 4301.62 of the Revised Code as amended by Sub. H.B. 37, Sub. H.B. 47, Sub. H.B. 178, and Sub. H.B. 342, all of the 131st General Assembly.

Section 4725.09 of the Revised Code as amended by both Am. Sub. H.B. 104 and Sub. H.B. 149 of the 127th General Assembly.

Section 4729.01 of the Revised Code as amended by Sub. H.B. 216, Sub. H.B. 290, Sub. H.B. 505, and Sub. S.B. 332, all of the 131st General Assembly.

Section 4729.51 of the Revised Code as amended by both Sub. H.B. 290 and Sub. S.B. 319 of the 131st General Assembly.

Section 4731.07 of the Revised Code as amended by both Am. Sub. H.B. 64 and Sub. S.B. 110 of the 131st General Assembly.

Section 4731.22 of the Revised Code as amended by Sub. H.B. 290, Sub. S.B. 127, and Sub. S.B. 319, all of the 131st General Assembly.

Section 4731.295 of the Revised Code as amended by both Sub. H.B. 320 of the 130th General Assembly and Am. Sub. H.B. 64 of the 131st General Assembly.

Section 5123.47 of the Revised Code as amended by both Sub. H.B. 158 and Am. Sub. H.B. 483 of the 131st General Assembly.

Section 5149.311 of the Revised Code as amended by both Am. Sub. H.B. 487 and Am. Sub. S.B. 337 of the 129th General Assembly.

Section 5165.01 of the Revised Code as amended by both Sub. H.B. 158 and Am. Sub. H.B. 483 of the 131st General Assembly. JR1C

Section 5703.57 of the Revised Code as amended by both Sub. H.B. 5 and Am. Sub. S.B. 243 of the 130th General Assembly.

Section 5709.12 of the Revised Code as amended by Sub. H.B. 166, Sub. H.B. 182, and Am. Sub. H.B. 233, all of the 131st General Assembly.

Section 5739.01 of the Revised Code as amended by both Sub. H.B. 390 and H.B. 466 of the 131st General Assembly.

Section 5747.02 of the Revised Code as amended by both Sub. H.B. 182 and Sub. S.B. 208 of the 131st General Assembly.

SECTION 815.20. Several sections of law in this act are amended more than once by this act. If the amendments are without reference to one another, they are to be harmonized and effect given to each amendment under division (B) of section 1.52 of the Revised Code. If, however, the amendments are irreconcilable and cannot be harmonized, they are to be construed under section 1.51 of the Revised Code.

The above boxed and initialed text was disapproved.

Date: 6-30-17

John R. Kasich, Governor