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OHIO LEGISLATIVE SERVICE COMMISSION

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Office

S.B. 152
134th General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsor: Sen. Hoagland

Emily E. Wendel, Attorney

SUMMARY

- Creates the Fraud, Waste, and Abuse Task Force in the Attorney General's Office to investigate instances of fraud and unlawful waste or abuse of public money by public officials and by private persons or entities who receive benefits, grants, or contracts.
- Allows any person to file a complaint with the Task Force.
- Allows the Task Force to cooperate with, or refer information to, other agencies that also have jurisdiction over those offenses.
- Appropriates \$3 million to the Task Force in each of FY 2022 and 2023.
- Requires that, when a Task Force investigation leads to a conviction, the sentencing court must award 10% of any ordered restitution to the Task Force's operating fund.

DETAILED ANALYSIS

Fraud, Waste, and Abuse Task Force

Operations

The bill creates the Fraud, Waste, and Abuse Task Force in the Attorney General's Office, made up of no more than ten employees of the Attorney General. The Task Force must investigate the following and, as appropriate, refer information to the Attorney General or to the appropriate prosecutor:

- Instances of fraud or attempted fraud committed by public officials involving public money;
- Instances of unlawful waste or abuse, or attempted unlawful waste or abuse, of public money committed by public officials;
- Instances of fraud or attempted fraud committed by private persons or entities in applying for or obtaining public funds from Ohio, such as benefits, grants, or contracts;

- Instances of unlawful waste or abuse, or attempted unlawful waste or abuse, of public funds obtained from Ohio by private persons or entities.

Any person may file a complaint with the Task Force alleging an offense described above. The Task Force may cooperate with, or refer information to, another state or local agency in Ohio or another state or a federal agency. The bill does not prohibit any other agency or political subdivision from investigating or prosecuting any matter over which it has jurisdiction (see “**Concurrent jurisdiction**,” below).¹

The bill gives “public official” and “public money” the same definitions as in the continuing law governing the Auditor of State:²

- “Public official” means any officer, employee, or duly authorized representative or agent of a public office.
- “Public office” means any state agency, public institution, political subdivision, or other organized body, office, agency, institution, or entity established by the laws of Ohio for the exercise of any function of government. However, “public office” does not include JobsOhio.
- “Public money” means any money received, collected by, or due a public official under color of office, as well as any money collected by any individual on behalf of a public office or as a purported representative or agent of the public office. But, “public money” does not include revenues or receipts related to the transfer of Ohio’s liquor franchise to JobsOhio, other than taxes collected on spirituous liquor sales and certain liquor-related payments JobsOhio must pay to the state.

Funding

The bill creates the Fraud, Waste, and Abuse Task Force Fund in the state treasury and appropriates \$3 million to the fund in each of FY 2022 and 2023. The fund also may accept donations, and any interest on the money in the fund must be credited to the fund.

When a Task Force investigation leads to a conviction for an offense described above, the bill requires the prosecutor to certify that fact to the sentencing court, and the court must order that 10% of the amount of any restitution the offender must pay be deposited in the Task Force’s operating fund.³ Restitution is an amount paid by an offender to the victim in an amount based on the victim’s economic loss. (On the other hand, a fine is a form of punishment and is not necessarily tied to any economic loss the victim experienced.) In cases where a court orders an offender to pay restitution to a government agency to repay stolen public money, the

¹ R.C. 109.47.

² R.C. 117.01, not in the bill.

³ R.C. 109.47(F) and (G) and Sections 2, 3, and 4 of the bill.

agency from which the money was stolen would have 10% deducted from its recovered amount and paid to the Task Force.⁴

Concurrent jurisdiction

Under continuing law, several other state and local entities also have the duty to investigate offenses that fall under the Task Force's purview, including the following:

- The Auditor of State, who is the lead public official responsible for the examination, analysis, inspection, and audits of all public offices;⁵
- The Inspector General, who must investigate the management and operation of state agencies in order to detect any wrongful acts or omissions, either on the Inspector General's own initiative or based on complaints submitted by the public;⁶
- The Office of Budget and Management's Office of Internal Audit, which conducts internal audits within state agencies and collects reports of fraud, abuse, or wrongdoing;⁷
- The Ohio Ethics Commission, the Joint Legislative Ethics Committee, and the Supreme Court Board of Professional Conduct, which investigate violations of the Ethics Law in the executive, legislative, and judicial branches of government, respectively;⁸
- Other investigative units in the Attorney General's Office, such as the Medicaid Fraud Control Unit and the Workers' Compensation Fraud Unit;⁹
- The Office of Fiscal and Monitoring Services in the Department of Job and Family Services, which investigates instances of child care assistance, food assistance, cash assistance, and unemployment insurance fraud;¹⁰
- County prosecutors.¹¹

⁴ R.C. 2929.18 and 2929.28, not in the bill.

⁵ R.C. 117.09, not in the bill.

⁶ R.C. 121.42, not in the bill.

⁷ R.C. 126.45; Ohio Office of Budget and Management, *Office of Internal Audit*.

⁸ R.C. 101.34 and 102.06, not in the bill, and [Ohio Supreme Court Rules for the Government of the Bar of Ohio](#), Rule V.

⁹ Ohio Attorney General, *Health Care Fraud*.

¹⁰ Ohio Department of Job and Family Services, *Report Fraud in Ohio*.

¹¹ R.C. 309.08.

HISTORY

Action	Date
Introduced	04-06-21
