

(1) "Rule" includes any rule, regulation, bylaw, or standard having a general and uniform operation adopted by an agency under the authority of the laws governing the agency; any appendix to a rule; and any internal management rule. "Rule" does not include any guideline adopted pursuant to section 3301.0714 of the Revised Code, any order respecting the duties of employees, any finding, any determination of a question of law or fact in a matter presented to an agency, or any rule promulgated pursuant to Chapter 119. or division (C)(1) or (2) of section 5117.02 of the Revised Code. "Rule" includes any amendment or rescission of a rule.

(2) "Agency" means any governmental entity of the state and includes, but is not limited to, any board, department, division, commission, bureau, society, council, institution, state college or university, community college district, technical college district, or state community college. "Agency" does not include the general assembly, the controlling board, the adjutant general's department, or any court.

(3) "Internal management rule" means any rule, regulation, bylaw, or standard governing the day-to-day staff procedures and operations within an agency.

(B)(1) Any rule, other than a rule of an emergency nature, adopted by any agency pursuant to this section shall be effective on the tenth day after the day on which the rule in final form and in compliance with division (B)(3) of this section is filed as follows:

(a) The rule shall be filed in electronic form with both the secretary of state and the director of the legislative service commission;

(b) The rule shall be filed in electronic form with the joint committee on agency rule review. Division (B)(1)(b) of this section does not apply to any rule to which division (D) of this section does not apply.

An agency that adopts or amends a rule that is subject to division (D) of this section shall assign a review date to the rule that is not later than five years after its effective date. If a review date assigned to a rule exceeds the five-year maximum, the review date for the rule is five years after its effective date. A rule with a review date is subject to review under section 106.03 of the Revised Code and expiration under section 106.033 of the Revised Code. This paragraph does not apply to a rule of a state college or university, community college district, technical college district, or state community college.

If an agency in adopting a rule designates an effective date that is later than the effective date provided for by division (B)(1) of this section, the rule if filed as required by such division shall become effective on the later date designated by the agency.

Any rule that is required to be filed under division (B)(1) of this section is also subject to division (D) of this section if not exempted by that division.

If a rule incorporates a text or other material by reference, the agency shall comply with sections 121.71 to 121.75 of the Revised Code.

(2) A rule of an emergency nature necessary for the immediate preservation of the public peace, health, or safety shall state the reasons for the necessity. The emergency rule, in final form

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and in compliance with division (B)(3) of this section, shall be filed in electronic form with the secretary of state, the director of the legislative service commission, and the joint committee on agency rule review. The emergency rule is effective immediately upon completion of the latest filing, except that if the agency in adopting the emergency rule designates an effective date, or date and time of day, that is later than the effective date and time provided for by division (B)(2) of this section, the emergency rule if filed as required by such division shall become effective at the later date, or later date and time of day, designated by the agency.

Except as provided in section 107.43 of the Revised Code, an emergency rule becomes invalid at the end of the one hundred twentieth day it is in effect. Prior to that date, the agency may file the emergency rule as a nonemergency rule in compliance with division (B)(1) of this section. The agency may not refile the emergency rule in compliance with division (B)(2) of this section so that, upon the emergency rule becoming invalid under such division, the emergency rule will continue in effect without interruption for another one hundred twenty-day period.

The adoption of an emergency rule under division (B)(2) of this section in response to a state of emergency, as defined under section 107.42 of the Revised Code, may be invalidated by the general assembly, in whole or in part, by adopting a concurrent resolution in accordance with section 107.43 of the Revised Code.

(3) An agency shall file a rule under division (B)(1) or (2) of this section in compliance with the following standards and procedures:

(a) The rule shall be numbered in accordance with the numbering system devised by the director for the Ohio administrative code.

(b) The rule shall be prepared and submitted in compliance with the rules section 103.05 of the Revised Code and the rule drafting manual of the legislative service commission.

(c) The rule shall clearly state the date on which it is to be effective and the date on which it will expire, if known.

(d) Each rule that amends or rescinds another rule shall clearly refer to the rule that is amended or rescinded. Each amendment shall fully restate the rule as amended.

If the director of the legislative service commission or the director's designee gives an agency notice pursuant to section 103.05 of the Revised Code that a rule filed by the agency is not in compliance with the rules section 103.05 of the Revised Code and the rule drafting manual of the legislative service commission, the agency shall within thirty days after receipt of the notice conform the rule to the rules of the commission as directed in the notice.

(C) All rules filed pursuant to divisions (B)(1)(a) and (2) of this section shall be recorded by the secretary of state and the director under the title of the agency adopting the rule and shall be numbered according to the numbering system devised by the director. The secretary of state and the director shall preserve the rules in an accessible manner. Each such rule shall be a public record open to public inspection and may be transmitted to any law publishing company that wishes to reproduce it.

~~(D)(1)~~ At least sixty-five days before a board, commission, department, division, or bureau of the government of the state files a rule under division (B)(1) of this section, it shall file the full text of the proposed rule in electronic form with the joint committee on agency rule review, and the proposed rule is subject to legislative review and invalidation under section sections 106.021, 106.025, and 106.026 of the Revised Code. If a state board, commission, department, division, or bureau makes a revision in a proposed rule after it is filed with the joint committee, the state board, commission, department, division, or bureau shall promptly file the full text of the proposed rule in its revised form in electronic form with the joint committee. A state board, commission, department, division, or bureau shall also file the rule summary and fiscal analysis prepared under section 106.024 of the Revised Code in electronic form along with a proposed rule, and along with a proposed rule in revised form, that is filed under this division. If a proposed rule has an adverse impact on businesses, the state board, commission, department, division, or bureau also shall file the business impact analysis, any recommendations received from the common sense initiative office, and the associated memorandum of response, if any, in electronic form along with the proposed rule, or the proposed rule in revised form that is filed under this division. If the rule summary and fiscal analysis indicates the rule may have any of the effects listed in division (A) of section 106.025 of the Revised Code, the executive director of the joint committee shall notify the members of the general assembly and include all documentation submitted to the joint committee in the agency's original rule filing with the notice.

2. A proposed rule that is subject to legislative review under this division may not be adopted and filed in final form under division (B)(1) of this section unless the one of the following applies:

a. The proposed rule has been filed with the joint committee on agency rule review under this division and the time for the joint committee to review the proposed rule has expired without recommendation of a concurrent resolution to invalidate the proposed rule.

(b) The proposed rule is subject to section 106.026 of the Revised Code, and a law authorizing its adoption enacted in accordance with Ohio Constitution Article II Sections 15 and 16 is in effect.

(3) If a proposed rule that is subject to legislative review under this division implements a federal law or rule, the agency shall provide to the joint committee a citation to the federal law or rule the proposed rule implements and a statement as to whether the proposed rule implements the federal law or rule in a manner that is more or less stringent or burdensome than the federal law or rule requires.

(4) As used in this division, "commission" includes the public utilities commission when adopting rules under a federal or state statute.

This division (5) Division (D) of this section does not apply to any of the following:

(a) A proposed rule of an emergency nature;

(b) A rule proposed under section 1121.05, 1121.06, 1349.33, 1707.201, 1733.413, or 1733.414 of the Revised Code.

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4123.29, 4123.34, 4123.341, 4123.342, 4123.345, 4123.40, 4123.411, 4123.44, or 4123.442 of the Revised Code;

RMD ~~(3)(c)~~ A rule proposed by an agency other than a board, commission, department, division, or bureau of the government of the state;

RMD ~~(4)(d)~~ A proposed internal management rule of a board, commission, department, division, or bureau of the government of the state;

RMD ~~(5)(c)~~ Any proposed rule that must be adopted verbatim by an agency pursuant to federal law or rule, to become effective within sixty days of adoption, in order to continue the operation of a federally reimbursed program in this state, so long as the proposed rule contains both of the following:

RMD ~~(a)(i)~~ A statement that it is proposed for the purpose of complying with a federal law or rule;

RMD ~~(b)(ii)~~ A citation to the federal law or rule that requires verbatim compliance.

RMD ~~(6)(f)~~ An initial rule proposed by the director of health to impose quality standards on a health care facility as defined in section 3702.30 of the Revised Code;

RMD ~~(7)(g)~~ A rule of the state lottery commission pertaining to instant game rules.

If a rule is exempt from legislative review under division ~~(D)(5)(D)(5)(c)~~ of this section, and if the federal law or rule pursuant to which the rule was adopted expires, is repealed or rescinded, or otherwise terminates, the rule is thereafter subject to legislative review under division (D) of this section.

Whenever a state board, commission, department, division, or bureau files a proposed rule or a proposed rule in revised form under division (D) of this section, it shall also file the full text of the same proposed rule or proposed rule in revised form in electronic form with the secretary of state and the director of the legislative service commission. A state board, commission, department, division, or bureau shall file the rule summary and fiscal analysis prepared under section 106.024 of the Revised Code in electronic form along with a proposed rule or proposed rule in revised form that is filed with the secretary of state or the director of the legislative service commission.

Sec. 111.27. There is hereby established in the state treasury the board of elections ~~reimbursement and education~~ fund. The fund shall be used by the secretary of state to provide advancements, subject to recoupment, or to reimburse boards of elections pursuant to sections 3513.301, 3513.312, 3515.071, and 3521.03 of the Revised Code, and to provide training and educational programs for members and employees of boards of elections. The fund shall receive transfers of cash pursuant to controlling board action.

Sec. 111.29. The Ohio election integrity commission fund is created in the state treasury. The secretary of state shall use the money in the fund for the sole purpose of paying expenses related to the operation of the Ohio election integrity commission established under section 3517.14 of the Revised Code.

Sec. 113.05. (A) As used in sections 113.05 to 113.40 of the Revised Code:

(1) "Account," "appropriation," "disbursement," "electronic funds transfer," "fund," and

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"warrant" have the same meanings as in section 131.01 of the Revised Code.

(2) "Assets" has the same meaning as in section 131.01 of the Revised Code, but does not include items held in safekeeping by the treasurer of state including, but not limited to, collateral pledged to a state agency.

(3) "Custodial funds" do not include items held in safekeeping by the treasurer of state including, but not limited to, collateral pledged to a state agency.

(B) The state treasury consists of the moneys, claims, bonds, notes, other obligations, stocks, and other securities, receipts or other evidences of ownership, and other intangible assets of the state that are required by law to be deposited in the state treasury or are otherwise a part of the state treasury. All assets of the state treasury shall be kept in the rooms assigned the treasurer of state, with the vaults, safes, and other appliances therein; provided, that:

(1) Securities required by law to be deposited or kept in the state treasury may be deposited for safekeeping with the federal reserve bank of Cleveland, Ohio or secured and insured depositories in or out of this state as designated by the treasurer of state.

(2) Public moneys may be kept in constituted state depositories.

(C) The custodial funds of the treasurer of state consist of the moneys, claims, bonds, notes, other obligations, stocks, and other securities, receipts or other evidences of ownership, and other intangible assets that are required by law to be kept in the custody of the treasurer of state but are not part of the state treasury. All assets of the custodial funds of the treasurer of state shall be kept in either or both of the following:

(1) The rooms assigned the treasurer of state, with the vaults, safes, and other appliances therein;

(2) The federal reserve bank of Cleveland, Ohio or secured and insured depositories in or out of this state as designated by the treasurer of state.

(D) Assets of the state treasury shall not be commingled with assets of the custodial funds of the treasurer of state.

~~The repositing and deposit of payments pursuant to section 113.06 of the Revised Code is in compliance with this section.~~

Sec. 113.13. The treasurer of state shall have available and, as requested, transmit to the director of budget and management and to the governor information concerning the amount in the ~~inactive account, the amount in the~~ active account, and the amount of cash on hand.

Sec. 113.40. (A) As used in this section:

(1) "Administrative agent of the board of deposit" means the treasurer of state.

(2) "Financial transaction device" includes a credit card, debit card, charge banking card, prepaid or stored value card, or automated clearinghouse network credit, debit, or e-check entry that includes, but is not limited to, accounts receivable and internet initiated, point of purchase, and telephone initiated applications, or any other device or method for making an electronic payment or transfer of funds denominated in United States dollars.

(2)(3) "Processor" means an entity conducting the settlement of an electronic payment or transfer of funds, which shall be denominated in United States dollars.

(4) "~~State expenses~~Revenue" includes fees, charges, tolls, costs, taxes, expenses, assessments, fines, penalties, payments, judgments, restitution ordered by a court, or any other expense amount a person owes to a state office under the authority of a state elected official or to a state entity.

(3)(5) "State elected official" means the governor, lieutenant governor, attorney general, secretary of state, treasurer of state, and auditor of state.

(4)(6) "State entity" includes any state department, agency, board, ~~or commission, or office~~ under the authority of a state elected official that deposits funds into the state treasury or into an account in the custody of the treasurer of state.

(B) Notwithstanding any other section of the Revised Code and subject to division (D) of this section, the board of deposit ~~may shall~~ adopt a resolution authorizing the ~~acceptance of payments by financial transaction device to pay for state expenses collection, receipt, and acceptance by the state of revenue, gifts, donations, or bequests made by a financial transaction device.~~ The resolution shall include all of the following:

(1) ~~A designation of those state elected officials and state entities authorized to accept payments by financial transaction device;~~

(2) ~~A list of state expenses that may be paid by the use of a financial transaction device;~~

(3) ~~Specific identification of financial transaction devices that a state elected official or state entity may authorize as acceptable means of payment for state expenses. Division (B)(3) of this section does not require that the same financial transaction devices be accepted for the payment of different types of state expenses.~~

(4) ~~The amount, if any, authorized as a surcharge or convenience fee under division (E) of this section for persons using a financial transaction device. Division (B)(4) of this section does not require that the same surcharges or convenience fees be applied to the payment of different types of state expenses.~~

(5) ~~A specific requirement, as provided in division (G) of this section, for the payment of a penalty if a payment made by means of a financial transaction device is returned or dishonored for any reason.~~

The board of deposit's resolution also shall ~~designate the treasurer of state as the direct the~~ administrative agent of the board of deposit to solicit proposals, within guidelines established by the board of deposit in the resolution and in compliance with the procedures provided in division (C) of this section; ~~from financial institutions, issuers of financial transaction devices, and processors of financial transaction devices; to make recommendations about those proposals to the state elected officials; and to assist state offices entities and state elected officials in implementing the state's any~~ financial transaction device collection, acceptance and processing, receipt, and settlement program authorized pursuant to this section. The board of deposit's resolution applies to financial transaction

device services related to any and all bank accounts comprising the state treasury as well as those in the custody of the treasurer of state but not part of the state treasury.

(C) The administrative agent shall follow the procedures provided in this division whenever it plans to contract with financial institutions, issuers of financial transaction devices, one or more processors of financial transaction devices for the purposes of this section. The administrative agent shall request proposals from at least three financial institutions, issuers of financial transaction devices, or processors of financial transaction devices for acceptance, processing, and settlement services, as appropriate in accordance with the resolution adopted under division (B) of this section. Prior to sending any financial institution, issuer, or processor a copy of any such request making the request for proposals available, the administrative agent shall advertise its intent to request proposals for two consecutive weeks by electronic publication on a state agency the administrative agent's web site made available to the general public. The notice shall state that the administrative agent intends to request proposals; specify the purpose of the request; indicate the date, which shall be at least ~~ten~~ fifteen calendar days after the initial publication, on which the request for proposals will be electronically mailed to financial institutions, issuers, or processors; and require that any financial institution, issuer, or processor, whichever is appropriate, interested in receiving the request for proposals submit written notice of this interest to the administrative agent not later than the day on which the available and shall detail the service or services subject to the request for proposals will be electronically mailed.

Upon receiving the proposals, the administrative agent shall review them and make a recommendation to the board of deposit regarding which proposal or proposals to accept. The board of deposit shall consider the agent's recommendation and review all proposals submitted, and then may choose to authorize the administrative agent, on the board's behalf, to contract with any or all of the entities one or more of the processors submitting proposals, as appropriate. The board of deposit shall provide any financial institution, issuer, or processor administrative agent may enter into one or more contracts for the provision of payment, collection, acceptance, processing, receipt, and settlement services to the state entities and state elected officials. Through its administrative agent, the board of deposit shall provide any processor that submitted a proposal, but with which the board of deposit's administrative agent does not enter into a contract, notice that its proposal is rejected.

(D) The board of deposit shall send a copy of the resolution adopted under division (B) of this section to each state elected official and state entity authorized to accept payments for state expenses by financial transaction device. After receiving the resolution and before accepting such payments by financial transaction device, such a state elected official or state entity shall provide written notification to the administrative agent of the official's or entity's intent to implement the resolution within the official's or entity's office. Each state office elected official or state entity subject to the board's resolution adopted under division (B) of this section shall use only the financial institutions, issuers of financial transaction devices, and processors of financial transaction devices with which the board of deposit deposit's administrative agent contracts, and each such

~~office-state elected official~~ or state entity is subject to the terms of those contracts.

~~If a state entity under the authority of a state elected official is directly responsible for collecting one or more state expenses and the state elected official determines not to accept payments by financial transaction device for one or more of those expenses, the office is not required to accept payments by financial transaction device for those expenses, notwithstanding the adoption of a resolution by the board of deposit under division (B) of this section.~~

(E) ~~The board of deposit-state elected official or state entity~~ may establish a surcharge or convenience fee that may be imposed upon a person making payment by a financial transaction device. ~~The surcharge or convenience fee shall not be imposed unless authorized or otherwise permitted by the rules prescribed under a contract, between the financial institution, issuer, or processor and the administrative agent, governing the use and acceptance of the financial transaction device.~~

~~The establishment of a~~ Any surcharge or convenience fee shall follow the guidelines of the ~~financial institution, issuer of financial transaction devices, or processor or processors~~ of financial transaction devices with which the board of ~~deposit of deposit's administrative agent~~ contracts.

If a surcharge or convenience fee is imposed, every state ~~elected official and state~~ entity accepting payment by a financial transaction device, ~~regardless of whether that entity is subject to a resolution adopted by the board of deposit, shall clearly post a notice in the entity's office, and~~ shall notify each person making a payment by such a device, about the surcharge or fee. Notice to each person making a payment shall be provided regardless of the medium used to make the payment and in a manner appropriate to that medium. Each notice shall include ~~all both~~ of the following:

(1) A statement that there is a surcharge or convenience fee for using a financial transaction device;

(2) The total amount of the charge or fee expressed in dollars and cents for each transaction, or the rate of the charge or fee expressed as a percentage of the total amount of the transaction, whichever is applicable;

~~(3) A clear statement that the surcharge or convenience fee is nonrefundable.~~

(F) ~~If a person elects to make a payment by a financial transaction device and a surcharge or convenience fee is imposed, the payment of the surcharge or convenience fee is not refundable.~~

~~(G) If a person makes payment-remits revenue to the state~~ by a financial transaction device and the payment ~~of the revenue is returned or dishonored-reversed~~ for any reason, or if the value of the remitted payment in United States dollars at the time of receipt by the state elected official or state entity is less than the amount owed, the person is liable to the state ~~elected official or state~~ entity for the ~~state expense-total amount of the state revenue~~ and any reimbursable costs for collection, including banking charges, legal fees, or other expenses incurred by the state ~~elected official or state entity~~ in collecting the ~~returned or dishonored-reversed~~ payment. The remedies and procedures provided in this section are in addition to any other available civil or criminal remedies provided by law.

~~(H)~~(G) No person ~~making any payment remitting any revenue~~ by a financial transaction device to a state ~~office elected official or state entity~~ shall be relieved from liability for the underlying obligation, except to the extent that the state elected official or state entity realizes ~~final payment of the underlying obligation the revenue to the state elected official or state entity~~ in cash or its equivalent. If ~~final payment revenue~~ is not ~~made remitted~~ by the financial transaction device issuer, or by other means of payment, or by other guarantor of payment in the transaction, the underlying obligation survives and the state elected official or state entity shall retain all remedies for enforcement that would have applied if the transaction had not occurred.

~~(H)~~(H) A state ~~entity elected official~~ or employee of a state entity or state elected official who accepts a financial transaction device payment in accordance with this section and any applicable state or local statutes, laws, policies, or rules is immune from personal liability for the final collection of such payments as specified in section 9.87 of the Revised Code.

~~(H)~~(I) If the board of deposit determines that it is necessary and in the state's best interest to contract with an additional ~~entity processor~~ subsequent to the contract award made under division (C) of this section, the board may meet and choose to contract with one or more additional ~~entities processors~~ for the remainder of the period previously established by a contract award made under division (C) of this section.

~~(K)~~(J) The administrative agent, in cooperation with the office of budget and management, may adopt, amend, and rescind rules in accordance with section 111.15 of the Revised Code to implement and administer this section.

(K) The treasurer of state shall have the authority to enter into such contracts necessary to fulfill its obligations as administrative agent for the board of deposit.

Sec. 113.51. (A) The treasurer of state shall implement and administer a program under the terms and conditions established under sections 113.50 to 113.56 of the Revised Code. For that purpose, the treasurer shall do all of the following:

- (1) Develop and implement the program in a manner consistent with the provisions of sections 113.50 to 113.56 of the Revised Code;
- (2) Engage the services of consultants on a contract basis for rendering professional and technical assistance and advice;
- (3) Seek rulings and other guidance from the secretary and the internal revenue service relating to the program;
- (4) Make modifications to the program as necessary for participants in the program to qualify for the federal income tax benefits or treatment provided under section 529A of the Internal Revenue Code or rules adopted thereunder;
- (5) Impose and collect administrative fees and service charges in connection with any agreement or transaction relating to the program;
- (6) Develop marketing plans and promotional materials to publicize the program;
- (7) Establish the procedures by which funds held in program accounts shall be disbursed;

(8) Administer the issuance of interests by the Ohio ABLE savings program trust fund to designated beneficiaries;

(9) Establish the procedures by which funds held in program accounts shall be allocated to pay for administrative costs;

(10) Take any other action necessary to implement and administer the program;

(11) Adopt rules in accordance with Chapter 119. of the Revised Code necessary to implement and administer the program;

(12) Notify the secretary when a program account has been opened for a designated beneficiary and submit other reports concerning the program as required by the secretary or under section 529A of the Internal Revenue Code.

(B) The treasurer of state may enter into agreements with other states or agencies of, subdivisions of, or residents of those states related to the program or a similar ABLE account program established by another state in accordance with section 529A of the Internal Revenue Code.

(C) Any record of the treasurer of state indicating the identity of account beneficiaries and the balances and activity in ABLE accounts is not a public record under section 149.43 of the Revised Code.

(D) The treasurer of state shall pay account fees associated with an ABLE account on behalf of an Ohio account owner or beneficiary.

Sec. 113.53. (A) A designated beneficiary, or a trustee or guardian of a designated beneficiary who lacks capacity to enter into an agreement, may apply, on forms prescribed by the treasurer of state, to open a program account. A beneficiary may have only one ABLE account. The treasurer of state may impose a nonrefundable application fee. The application shall require the applicant to provide the following information:

(1) The name, address, social security number, and birth date of the designated beneficiary;

(2) The name, address, and social security number of the designated beneficiary's trustee or guardian, if applicable;

(3) Certification by the applicant that the applicant understands the maximum account value and the consequences under division (C) of this section for excess contributions and understands how program account values exceeding the amount designated under section 103 of the "Stephen Beck, Jr., ABLE Act of 2014," 26 U.S.C. 529A note, may affect the applicant's resources for determining the applicant's eligibility for the supplemental security income program;

(4) Any additional information required by the treasurer of state.

(B)(1) To qualify for a program account, a designated beneficiary must be an eligible individual at the time the program account is opened. Before opening a program account, the treasurer of state or program manager shall enter into an agreement with the account owner that discloses the requirements and restrictions on contributions and withdrawals from the program account.

(2) Any person may make contributions to a program account after the account is opened,

subject to the limitations imposed by section 529A of the Internal Revenue Code and any rules adopted by the secretary.

(C) Contributions to a program account shall be made in cash. The treasurer of state or program manager shall reject or promptly withdraw a contribution to a program account if that contribution would exceed the annual limits prescribed in subsection (b)(2)(B) of section 529A of the Internal Revenue Code. The treasurer or program manager shall reject or promptly withdraw a contribution if the value of the program account equals or exceeds the maximum account value or the designated beneficiary is not an eligible individual in the current calendar year.

(D)(1) To the extent authorized by federal law, and in accordance with rules adopted by the treasurer of state, an account owner may change the designated beneficiary of a program account to another individual.

(2) No account owner may use an interest in an ABLE account as security for a loan. Any pledge of an interest in an account shall be void and of no force and effect.

(E)(1) A distribution from a program account to any individual or for the benefit of any individual during a calendar year shall be reported to the internal revenue service and the designated beneficiary or the distributee to the extent required under state or federal law.

(2) Statements shall be provided to each account owner of a program account at least four times each year within thirty days after the end of the quarterly period to which a statement relates. The statement shall identify the contributions made during the preceding quarter, the total contributions made to the account through the last day of that quarter, the value of the account on the last day of that quarter, distributions made during that quarter, and any other information that the treasurer of state requires to be reported to the account owner.

(3) Statements and information relating to program accounts shall be prepared and filed to the extent required under sections 113.50 to 113.56 of the Revised Code and any other state or federal law.

(F) The program shall provide separate accounting for each designated beneficiary. An annual fee may be imposed upon the account owner for the maintenance of a program account.

~~(G) (1) Money in an ABLE account shall be exempt from attachment, execution, or garnishment as provided in section 2329.66 of the Revised Code, and is.~~

(2) Unless required by federal law, money in an ABLE account is not subject to claims made under the medicaid estate recovery program instituted pursuant to section 5162.21 of the Revised Code, ~~in accordance with subsection (f) of section 529A of the Internal Revenue Code and subject to any limitations imposed by the secretary.~~

(H)(1) Notwithstanding any other provision of state law, all of the following shall be disregarded for the purposes of determining an individual's eligibility for a means-tested public assistance program funded only with state, local, or state and local funds and the amount of assistance or benefits the individual is eligible to receive under the program:

(a) Any amount in an ABLE account, including earnings on the account;

(b) Any contributions to an ABLE account;
(c) Any distribution from an ABLE account for qualified disability expenses.
(2) Division (H)(1) of this section applies only to an individual who is either of the following:

(a) The designated beneficiary of the ABLE account;
(b) An individual whose eligibility for the means-tested program is conditioned on the ABLE account's designated beneficiary disclosing the designated beneficiary's income, resources, or both to the entity administering the means-tested public assistance program.

Sec. 113.78. The medical quality assurance fund is created, which shall be in the custody of the treasurer of state but shall not be part of the state treasury. The fund shall consist of all money transferred to it as a result of the repeal of section 3701.89 of the Revised Code on January 1, 2026, by H.B. 238 of the 135th ~~General Assembly~~ general assembly and its requirements related to the repeal of that section. All investment earnings of the fund shall be credited to the fund.

All money in the fund shall be used as directed by the general assembly, ~~which may include funding any of the following programs that the former Ohio medical quality foundation was authorized to fund in a similar manner under division (F) of section 3701.89 of the Revised Code before the repeal of that section by this act:~~

~~(A) Programs approved under criteria established under section 4731.251 of the Revised Code;~~

~~(B) Programs designed to improve the quality of graduate medical education;~~

~~(C) Programs designed to improve risk management and quality assurance in hospitals, as defined in section 3722.01 of the Revised Code, and in outpatient settings, including physician offices;~~

~~(D) Other programs, meetings, and educational seminars that are designed to improve the quality of medical care in this state.~~

Sec. 117.11. (A) Except as otherwise provided in this division and in ~~sections~~ section 117.112 and ~~117.113~~ of the Revised Code, the auditor of state shall audit each public office at least once every two fiscal years. The auditor of state shall audit a public office each fiscal year if that public office is required to be audited on an annual basis pursuant to "The Single Audit Act of 1984," 98 Stat. 2327, 31 U.S.C.A. 7501 et seq., as amended. In the annual or biennial audit, inquiry shall be made into the methods, accuracy, and legality of the accounts, financial reports, records, files, and reports of the office, whether the laws, rules, ordinances, and orders pertaining to the office have been observed, and whether the requirements and rules of the auditor of state have been complied with. Except as otherwise provided in this division or where auditing standards or procedures dictate otherwise, each audit shall cover at least one fiscal year. If a public office is audited only once every two fiscal years, the audit shall cover both fiscal years.

(B) In addition to the annual or biennial audit provided for in division (A) of this section, the auditor of state may conduct an audit of a public office at any time when so requested by the public

office or upon the auditor of state's own initiative if the auditor of state has reasonable cause to believe that an additional audit is in the public interest.

(C)(1) The auditor of state shall identify any public office in which the auditor of state will be unable to conduct an audit at least once every two fiscal years as required by division (A) of this section and shall provide immediate written notice to the clerk of the legislative authority or governing board of the public office so identified. Within six months of the receipt of such notice, the legislative authority or governing board may engage an independent certified public accountant to conduct an audit pursuant to section 117.12 of the Revised Code.

(2) When the chief fiscal officer of a public office notifies the auditor of state that an audit is required at a time prior to the next regularly scheduled audit by the auditor of state, the auditor of state shall either cause an earlier audit to be made by the auditor of state or authorize the legislative authority or governing board of the public office to engage an independent certified public accountant to conduct the required audit. The scope of the audit shall be as authorized by the auditor of state.

(3) The auditor of state shall approve the scope of an audit under division (C)(1) or (2) of this section as set forth in the contract for the proposed audit before the contract is executed on behalf of the public office that is to be audited. The independent accountant conducting an audit under division (C)(1) or (2) of this section shall be paid by the public office.

(4) The contract for attest services with an independent accountant employed pursuant to this section or section 117.115 of the Revised Code may include binding arbitration provisions, provisions of Chapter 2711. of the Revised Code, or any other alternative dispute resolution procedures to be followed in the event a dispute remains between the state or public office and the independent accountant concerning the terms of or services under the contract, or a breach of the contract, after the administrative provisions of the contract have been exhausted.

(D) If a uniform accounting network is established under section 117.101 of the Revised Code, the auditor of state or a certified public accountant employed pursuant to this section or section 117.112 or 117.115 of the Revised Code shall, to the extent practicable, utilize services offered by the network in order to conduct efficient and economical audits of public offices.

(E) The auditor of state, in accordance with division (A)(3) of section 9.65 of the Revised Code and this section, may audit an annuity program for volunteer fire fighters established by a political subdivision under section 9.65 of the Revised Code. As used in this section, "volunteer fire fighters" and "political subdivision" have the same meanings as in division (C) of section 9.65 of the Revised Code.

(F) The auditor of state may establish by rule an agreed-upon procedure by which political subdivisions may be audited. The rules shall set forth the standards, procedures, guidelines, and reporting requirements for an agreed-upon procedure audit.

Sec. 117.38. (A) Each public office, other than a state agency, shall file a financial report for each fiscal year. The auditor of state may prescribe forms by rule or may issue guidelines, or both,

for such reports. If the auditor of state has not prescribed a rule regarding the form for the report, the public office shall submit its report on the form utilized by the public office.

(B) The report shall be certified by the proper officer or board and filed with the auditor of state within sixty days after the close of the fiscal year, except that public offices reporting pursuant to generally accepted accounting principles shall file their reports within one hundred fifty days after the close of the fiscal year. The auditor of state may extend the deadline for filing a financial report and establish terms and conditions for any such extension. At the time the report is filed with the auditor of state, the chief fiscal officer, except as otherwise provided in section 319.11 of the Revised Code, shall publish notice in a newspaper published in the political subdivision or taxing district, and if there is no such newspaper, then in a newspaper of general circulation in the political subdivision or taxing district. The notice shall state that the financial report has been completed by the public office and is available for public inspection at the office of the chief fiscal officer.

(C) The report shall contain the following:

- (1) Amount of collections and receipts, and accounts due from each source;
- (2) Amount of expenditures for each purpose;
- (3) Income of each public service industry owned or operated by a municipal corporation, and the cost of such ownership or operation;
- (4) Amount of public debt of each taxing district, the purpose for which each item of such debt was created, and the provision made for the payment thereof;

(5) Budgetary comparison information as required by the applicable reporting framework or as prescribed by the auditor of state.

(D) Any public office, other than a state agency, that does not file its financial report at the time required by this section shall pay to the auditor of state twenty-five dollars for each day the report remains unfiled after the filing date; provided, that the penalty payments shall not exceed the sum of seven hundred fifty dollars. The auditor of state may waive all or any part of the penalty assessed under this section upon the filing of the past due financial report. All sums collected from such penalties shall be placed in the public audit expense fund--local government. If the auditor of state fails to receive payment for penalties not paid within one year from the required filing date, the auditor may recover the penalties through the process in division (D) of section 117.13 of the Revised Code.

(E) Every county agency, board, or commission shall provide to the county auditor, not later than the first day of March each year unless a later date is authorized by the county auditor, all information determined by the county auditor to be necessary for the preparation of the report required by this section.

(F) The auditor of state shall publish the substance of the report submitted under this section in an electronic format that is available to the public.

Sec. 117.44. To enhance local officials' background and working knowledge of government accounting, budgeting and financing, financial report preparation, and the rules adopted by the

auditor of state, the auditor of state shall hold training programs for persons elected for the first time as township fiscal officers, city auditors, and village clerks, between the first day of December and the first day of April immediately following a general election for any of these offices. Similar training may also be provided to any township fiscal officer, city auditor, or village clerk who is appointed to fill a vacancy or who is elected in a special election.

The auditor of state also shall develop and provide an annual training program of continuing education for village clerks.

The auditor of state shall determine the manner, content, and length of the training programs after consultation with appropriate statewide organizations of local governmental officials. The auditor of state shall charge the political subdivisions that the trainees represent a registration fee that will meet actual and necessary expenses of the training, including instructor fees, site acquisition costs, and the cost of course materials. The necessary personal expenses incurred by the officials as a result of attending the training program shall be borne by the political subdivisions they represent.

The auditor of state shall allow any other interested person to attend any of the training programs that the auditor of state holds pursuant to this section; provided, that before attending any such training program, the interested person shall pay to the auditor of state the full registration fee that the auditor of state has set for the training program.

The auditor of state may provide any other appropriate training or educational programs that may be developed and offered by the auditor of state or in collaboration with one or more other state agencies, political subdivisions, or other public or private entities.

There is hereby established in the state treasury the auditor of state training program fund, to be used by the auditor of state for the actual and necessary expenses of any training programs held pursuant to this section, ~~section 117.441~~, or section 321.46 of the Revised Code. All registration fees collected under this section shall be paid into the fund.

Sec. 117.56. (A) During the course of an audit, including a performance audit, of the department of transportation any state agency or institution of higher education as defined in section 3345.011 of the Revised Code, the auditor of state, an employee of the auditor of state, and any independent accountants or consultants contracted by the auditor of state as necessary to carry out the statutory responsibilities of the auditor of state, may request access to any system the department agency or institution uses or maintains. The director of transportation and employees of the department. If the auditor of state requests access, the agency or institution shall provide access subject to the following:

- (1) The access is read only and is downloadable for analysis;
- (2) The access is requested after the notice of engagement letter is sent to the agency or institution;
- (3) Any employee of the auditor of state, or independent accountant or consultant contracted by the auditor of state, who will have access as set forth above, is a national of the United States or

lawful permanent resident of the United States;

(4) The data accessed is kept on servers located in the United States.

(5) Employees of the agency or institution shall assist the auditor of state, employees of the auditor of state, and independent accountants or consultants contracted by the auditor of state with accessing the department's systems including but not limited to providing a comprehensive list of all the data available and data definitions necessary to understand the systems and data provided to the auditor of state.

(B) The auditor of state, employees of the auditor of state, and independent accountants and consultants retained contracted by the auditor of state, shall comply with all state and federal privacy and confidentiality laws, rules, and regulations that apply to the content of the systems the auditor of state accesses.

(C) Any system breach, unauthorized access, or unauthorized release of information that results from access under this section shall be reported immediately to the state highway patrol and any other relevant law enforcement agency for criminal investigation.

Sec. 118.29. (A) The financial supervisor, or the legislative authority of a municipal corporation, board of county commissioners, or board of township trustees of a municipal corporation, county, or township in fiscal emergency, may make a referral to the attorney general for the creation of a receivership over the municipal corporation, county, or township in fiscal emergency if both the following conditions are met:

(1) The municipal corporation, county, or township satisfies either of the following:

(a) It has been in a state of fiscal emergency for a continuous period of ten years.

(b) It has been in a state of fiscal emergency at least twice in a period of ten years, and the combined period of fiscal emergency is at least five years.

(2) The municipal corporation, county, or township has demonstrated one or more of the following, as determined by the financial supervisor:

(a) Failure to comply with the applicable budgetary and spending processes in Chapter 5705. of the Revised Code;

(b) Failure to ensure that appropriations comply with the financial plan in accordance with section 118.13 of the Revised Code;

(c) Assuming debt without the approval of the financial planning and supervision commission in violation of section 118.15 of the Revised Code;

(d) Undertaking administrative or legislative action that is not in accordance with the terms of the financial plan or, when applicable, without permission of the commission.

(B) Upon receipt of a referral, the attorney general shall promptly file a petition for a receivership with the court of claims. The judge that has served the longest on the court as of the date the petition is filed promptly shall appoint a receiver. The appointed receiver shall satisfy the requirements of section 2735.02 of the Revised Code and shall comply with section 2735.03 of the Revised Code. With the approval of the court, the receiver may request reasonable fees for work

performed including, but not limited to, costs associated with retaining legal counsel, accountants, or other similar advisors that the receiver considers necessary in the performance of the receiver's duties. The fees shall be paid from funds appropriated to the office of budget and management during the period of fiscal emergency.

(C) A receiver appointed under this section has all of the following powers and duties in addition to the powers stated in section 2735.04 of the Revised Code:

(1) Consult with the legislative authority of the municipal corporation, board of county commissioners, or board of township trustees to make recommendations or, if necessary, to assume responsibility for implementing cost reductions and revenue increases to achieve a balanced budget and carry out the financial plan, and to make reductions in force or spending to resolve the fiscal emergency conditions;

(2) Ensure the municipal corporation, county, or township in fiscal emergency complies with all aspects of the financial plan approved by the commission in accordance with section 118.06 of the Revised Code, or as amended in accordance with this chapter. If no financial plan has been approved by the commission in accordance with section 118.06 of the Revised Code, the receiver, after consulting with the legislative authority of the municipal corporation, board of county commissioners, or board of township trustees, shall make recommendations, or assume, if necessary, the responsibility for crafting and submitting the financial plan to the financial planning and supervision commission.

(3) Ensure the municipal corporation, county, or township in fiscal emergency complies with any other relevant aspects of this chapter;

(4) Provide monthly, written reports about the progress toward resolving the conditions of fiscal emergency to the financial planning and supervision commission, to the legislative authority of the municipal corporation, board of county commissioners, or board of township trustees, and to the mayor or city manager in the case of a municipal corporation;

(5) Appear at least quarterly to present information about progress toward resolving the conditions of fiscal emergency at an open meeting and, if allowable under section 121.22 of the Revised Code, in executive session, of the legislative authority of municipal corporation, board of county commissioners, or board of township trustees;

(6) Appear at least quarterly to present information about progress toward resolving the conditions of fiscal emergency at an open meeting and, if allowable under section 121.22 of the Revised Code, in executive session, of the financial planning and supervision commission of the municipal corporation, county, or township in fiscal emergency;

(7) At the receiver's initiative or upon invitation, attend executive sessions of the legislative authority of the municipal corporation, board of county commissioners, or board of township trustees;

(8) Exercise any other powers granted to the receiver by the court necessary to perform the duties stated in this section.

(D)(1) If, in the judgment of the receiver, the criteria required to file for bankruptcy under the "Federal Bankruptcy Act," 11 U.S.C. 101, et seq., are satisfied and no reasonable alternative exists to eliminate the fiscal emergency condition within three years, the receiver may present findings and submit a written recommendation on filing for bankruptcy to the financial planning and supervision commission and the legislative authority of the municipal corporation, board of county commissioners, or board of township trustees. Beginning sixty days after submitting the recommendation, the receiver may initiate bankruptcy proceedings unless both of the following occur:

(a) The legislative authority or board adopts an ordinance or resolution, effective within sixty days of receipt of the recommendation, opposing the recommendation. The ordinance or resolution shall specify the legislative authority's or board's plan to satisfy and discharge the debts and liabilities included in the receiver's recommendation for bankruptcy within seven years of the adoption of the ordinance or resolution and promptly alleviate the fiscal emergency conditions using expenditure reductions or available and future tax revenue, including necessary tax rate increases, of the municipal corporation, county, or township.

(b) After reviewing the ordinance or resolution under division (D)(1)(a) of this section, the financial planning and supervision commission determines the plan is sufficient to satisfy and discharge the debts and liabilities included in the receiver's recommendation for bankruptcy within seven years of the adoption of the resolution and promptly alleviate the fiscal emergency conditions.

If the financial planning and supervision commission determines that the plan is not sufficient, the receiver may initiate bankruptcy proceedings notwithstanding the ordinance or resolution opposing the recommendation.

(2) If the financial planning and supervision commission determines under division (D)(1) of this section that the plan is sufficient and the plan requires voted taxes authorized under another Revised Code section, the legislative authority of the municipal corporation, board of county commissioners, or board of trustees shall direct the board of elections to submit the tax question to the electors at the next general election or at a special election conducted on the day of the next primary election in the municipal corporation, township, or county occurring not less than ninety days after the resolution is certified to the board, as applicable under the provision authorizing the tax question. If the taxes are not approved by the electors, the receiver may initiate bankruptcy proceedings, notwithstanding the resolution or ordinance opposing bankruptcy. If the taxes are approved by the electors, the legislative authority of the municipal corporation, board of county commissioners, or board of trustees shall implement the plan to satisfy and discharge the debts and liabilities included in the receiver's recommendation for bankruptcy within seven years of the adoption of the ordinance or resolution and promptly alleviate the fiscal emergency conditions.

(E) The court shall terminate the receivership when the municipal corporation, county, or township has corrected and eliminated all of the fiscal emergency conditions determined pursuant to section 118.04 of the Revised Code, and no new fiscal emergency conditions have occurred.

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(F) Conditions in division (A) of this section may be applied retroactively in a remedial nature.

Sec. 119.03. In the adoption, amendment, or rescission of any rule, an agency shall comply with the following procedure:

(A) Reasonable public notice shall be given in the register of Ohio at least thirty days prior to the date set for a hearing, in the form the agency determines. The agency shall file copies of the public notice under division (B) of this section. (The agency gives public notice in the register of Ohio when the public notice is published in the register under that division.)

The public notice shall include:

- (1) A statement of the agency's intention to consider adopting, amending, or rescinding a rule;
- (2) A synopsis of the proposed rule, amendment, or rule to be rescinded or a general statement of the subject matter to which the proposed rule, amendment, or rescission relates;
- (3) A statement of the reason or purpose for adopting, amending, or rescinding the rule;
- (4) The date, time, and place of a hearing on the proposed action, which shall be not earlier than the thirty-first nor later than the fortieth day after the proposed rule, amendment, or rescission is filed under division (B) of this section.

In addition to public notice given in the register of Ohio, the agency may give whatever other notice it reasonably considers necessary to ensure notice constructively is given to all persons who are subject to or affected by the proposed rule, amendment, or rescission. RMD

The agency shall provide a copy of the public notice required under division (A) of this section to any person who requests it and pays a reasonable fee, not to exceed the cost of copying and mailing.

(B) The full text of the proposed rule, amendment, or rule to be rescinded, accompanied by the public notice required under division (A) of this section, shall be filed in electronic form with the secretary of state and with the director of the legislative service commission. (If in compliance with this division an agency files more than one proposed rule, amendment, or rescission at the same time, and has prepared a public notice under division (A) of this section that applies to more than one of the proposed rules, amendments, or rescissions, the agency shall file only one notice with the secretary of state and with the director for all of the proposed rules, amendments, or rescissions to which the notice applies.) The proposed rule, amendment, or rescission and public notice shall be filed as required by this division at least sixty-five days prior to the date on which the agency, in accordance with division (E) of this section, issues an order adopting the proposed rule, amendment, or rescission.

If the proposed rule, amendment, or rescission incorporates a text or other material by reference, the agency shall comply with sections 121.71 to 121.75 of the Revised Code.

The proposed rule, amendment, or rescission shall be available for at least thirty days prior to the date of the hearing at the office of the agency in printed or other legible form without charge.

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to any person affected by the proposal. Failure to furnish such text to any person requesting it shall not invalidate any action of the agency in connection therewith.

If the agency files a revision in the text of the proposed rule, amendment, or rescission, it shall also promptly file the full text of the proposed rule, amendment, or rescission in its revised form in electronic form with the secretary of state and with the director of the legislative service commission.

The agency shall file the rule summary and fiscal analysis prepared under section 106.024 of the Revised Code in electronic form along with a proposed rule, amendment, or rescission or proposed rule, amendment, or rescission in revised form that is filed with the secretary of state or the director of the legislative service commission.

The agency shall file the hearing report relating to a proposed rule, amendment, or rescission in electronic form with the secretary of state and the director of the legislative service commission at the same time the agency files the hearing report with the joint committee on agency rule review.

The director of the legislative service commission shall publish in the register of Ohio the full text of the original and each revised version of a proposed rule, amendment, or rescission; the full text of a public notice; the full text of a rule summary and fiscal analysis; and the full text of a hearing report that is filed with the director under this division.

~~(C)(C)(1)~~ When an agency files a proposed rule, amendment, or rescission under division (B) of this section, it also shall file in electronic form with the joint committee on agency rule review the full text of the proposed rule, amendment, or rule to be rescinded in the same form and the public notice required under division (A) of this section. (If in compliance with this division an agency files more than one proposed rule, amendment, or rescission at the same time, and has given a public notice under division (A) of this section that applies to more than one of the proposed rules, amendments, or rescissions, the agency shall file only one notice with the joint committee for all of the proposed rules, amendments, or rescissions to which the notice applies.) The proposed rule, amendment, or rescission is subject to legislative review and invalidation under sections 106.02, 106.021, and 106.022, 106.025, and 106.026 of the Revised Code. If the agency makes a revision in a proposed rule, amendment, or rescission after it is filed with the joint committee, the agency promptly shall file the full text of the proposed rule, amendment, or rescission in its revised form in electronic form with the joint committee.

An agency shall file the rule summary and fiscal analysis prepared under section 106.024 of the Revised Code in electronic form along with a proposed rule, amendment, or rescission, and along with a proposed rule, amendment, or rescission in revised form, that is filed under this division. If the rule summary and fiscal analysis indicates the rule may have any of the effects listed in division (A) of section 106.025 of the Revised Code, the executive director of the joint committee shall notify the members of the general assembly and include all documentation submitted to the joint committee in the agency's original rule filing with the notice.

(2) If a proposed rule, amendment, or rescission has an adverse impact on businesses, the

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agency also shall file the business impact analysis, any recommendations received from the common sense initiative office, and the agency's memorandum of response, if any, in electronic form along with the proposed rule, amendment, or rescission, or along with the proposed rule, amendment, or rescission in revised form, that is filed under this division.

(3) The agency shall file the hearing report in electronic form with the joint committee before the joint committee holds its public hearing on the proposed rule, amendment, or rescission. The filing of a hearing report does not constitute a revision of the proposed rule, amendment, or rescission to which the hearing report relates.

(4) If the proposed rule, amendment, or rescission requires liability insurance, a bond, or any other financial responsibility instrument as a condition of licensure, the agency shall conduct a diligent search to determine if the liability insurance, bond, or other financial responsibility instrument is readily available in the amounts required as a condition of licensure, and shall certify to the joint committee that the search was conducted.

(5) If the proposed rule, amendment, or rescission implements a federal law or rule, the agency shall provide to the joint committee a citation to the federal law or rule the proposed rule, amendment, or rescission implements and a statement as to whether the proposed rule implements the federal law or rule in a manner that is more or less stringent or burdensome than the federal law or rule requires.

(6) A proposed rule, amendment, or rescission that is subject to legislative review under this division may not be adopted under division (E) of this section or filed in final form under section 119.04 of the Revised Code unless the one of the following applies:

(a) The proposed rule, amendment, or rescission has been filed with the joint committee on agency rule review under this division and the time for legislative review of the proposed rule, amendment, or rescission has expired without adoption of a concurrent resolution to invalidate the proposed rule, amendment, or rescission.

(b) The proposed rule, amendment, or rescission is subject to section 106.026 of the Revised Code, and a law authorizing its adoption enacted in accordance with Ohio Constitution, Article II, Sections 15 and 16 is in effect.

~~This division~~ (7) Division (C) of this section does not apply to:

(1)(a) An emergency rule, amendment, or rescission;

(2)(b) A proposed rule, amendment, or rescission that must be adopted verbatim by an agency pursuant to federal law or rule, to become effective within sixty days of adoption, in order to continue the operation of a federally reimbursed program in this state, so long as the proposed rule contains both of the following:

(a)(i) A statement that it is proposed for the purpose of complying with a federal law or rule;

(b)(ii) A citation to the federal law or rule that requires verbatim compliance.

(3)(c) A proposed rule, amendment, or rescission that, as set forth in section 3719.41 of the Revised Code, must be adopted by the state board of pharmacy pursuant to federal law or rule, to

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become effective within sixty days of adoption, so long as the proposed rule contains a statement that it is proposed for the purpose of complying with federal law or rule.

(8) If a rule or amendment is exempt from legislative review under division ~~(C)(2)(C)(7)(b)~~ of this section, and if the federal law or rule pursuant to which the rule or amendment was adopted expires, is repealed or rescinded, or otherwise terminates, the rule or amendment, or its rescission, is thereafter subject to legislative review under division (C) of this section.

(D) On the date and at the time and place designated in the notice, the agency shall conduct a public hearing at which any person affected by the proposed action of the agency may appear and be heard in person, by the person's attorney, or both, may present the person's position, arguments, or contentions, orally or in writing, offer and examine witnesses, and present evidence tending to show that the proposed rule, amendment, or rescission, if adopted or effectuated, will be unreasonable or unlawful. An agency may permit persons affected by the proposed rule, amendment, or rescission to present their positions, arguments, or contentions in writing, not only at the hearing, but also for a reasonable period before, after, or both before and after the hearing. A person who presents a position or arguments or contentions in writing before or after the hearing is not required to appear at the hearing.

At the hearing, the testimony shall be recorded. Such record shall be made at the expense of the agency. The agency is required to transcribe a record that is not sight readable only if a person requests transcription of all or part of the record and agrees to reimburse the agency for the costs of the transcription. An agency may require the person to pay in advance all or part of the cost of the transcription.

In any hearing under this section the agency may administer oaths or affirmations. RMO

The agency shall consider the positions, arguments, or contentions presented at, or before or after, the hearing. The agency shall prepare a hearing summary of the positions, arguments, or contentions, and of the issues raised by the positions, arguments, or contentions. The agency then shall prepare a hearing report explaining, with regard to each issue, how it is reflected in the rule, amendment, or rescission. If an issue is not reflected in the rule, amendment, or rescission, the hearing report shall explain why the issue is not reflected. The agency shall include the hearing summary in the hearing report as an appendix thereto. And, in the hearing report, the agency shall identify the proposed rule, amendment, or rescission to which the hearing report relates.

~~(E) After (E)(1)~~ Subject to division (E)(2) of this section, after divisions (A), (B), (C), and (D) of this section have been complied with, and when the time for legislative review under sections 106.02, 106.022, ~~and 106.023~~, and 106.025 of the Revised Code has expired without adoption of a concurrent resolution to invalidate the proposed rule, amendment, or rescission, the agency may issue an order adopting the proposed rule or the proposed amendment or rescission of the rule, consistent with the synopsis or general statement included in the public notice. At that time the agency shall designate the effective date of the rule, amendment, or rescission, which shall not be earlier than the tenth day after the rule, amendment, or rescission has been filed in its final form as

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provided in section 119.04 of the Revised Code.

(2) If a proposed rule, amendment, or rescission is subject to section 106.026 of the Revised Code, the agency may issue an order adopting the proposed rule or the proposed amendment or rescission of the rule on or after the effective date of the law authorizing adoption enacted in accordance with Ohio Constitution, Article II, Sections 15 and 16. At that time the agency shall designate the effective date of the rule, amendment, or rescission, which shall not be earlier than the tenth day after the rule, amendment, or rescission has been filed in its final form as provided in section 119.04 of the Revised Code.

(F) Prior to the effective date of a rule, amendment, or rescission, the agency shall make a reasonable effort to inform those affected by the rule, amendment, or rescission and to have available for distribution to those requesting it the full text of the rule as adopted or as amended.

(G)(1) If the governor, upon the request of an agency, determines that an emergency requires the immediate adoption, amendment, or rescission of a rule, the governor shall issue an order, the text of which shall be filed in electronic form with the agency, the secretary of state, the director of the legislative service commission, and the joint committee on agency rule review, that the procedure prescribed by this section with respect to the adoption, amendment, or rescission of a specified rule is suspended. The agency may then adopt immediately the emergency rule, amendment, or rescission and it becomes effective on the date the rule, amendment, or rescission, in final form and in compliance with division (A)(2) of section 119.04 of the Revised Code, is filed in electronic form with the secretary of state, the director of the legislative service commission, and the joint committee on agency rule review. The director shall publish the full text of the emergency rule, amendment, or rescission in the register of Ohio. JLMP

Except as provided in division (G)(2) of this section, or section 107.43 of the Revised Code, the emergency rule, amendment, or rescission shall become invalid at the end of the one hundred twentieth day it is in effect. Prior to that date the agency may adopt the emergency rule, amendment, or rescission as a nonemergency rule, amendment, or rescission by complying with the procedure prescribed by this section for the adoption, amendment, and rescission of nonemergency rules. The agency shall not use the procedure of division (G)(1) of this section to readopt the emergency rule, amendment, or rescission so that, upon the emergency rule, amendment, or rescission becoming invalid under division (G)(1) of this section, the emergency rule, amendment, or rescission will continue in effect without interruption for another one-hundred-twenty-day period, except when section 106.02 of the Revised Code prevents the agency from adopting the emergency rule, amendment, or rescission as a nonemergency rule, amendment, or rescission within the one-hundred-twenty-day period.

Division (G)(1) of this section does not apply to the adoption of any emergency rule, amendment, or rescission by the tax commissioner under division (C)(2) of section 5117.02 of the Revised Code.

(2) An emergency rule or amendment adding a substance to a controlled substance schedule.

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shall become invalid at the end of the one hundred eightieth day it is in effect. Prior to that date, the state board of pharmacy may adopt the emergency rule or amendment as a nonemergency rule or amendment by complying with the procedure prescribed by this section for adoption and amendment of nonemergency rules. The board shall not use the procedure of division (G)(1) of this section to readopt the emergency rule or amendment so that, upon the emergency rule or amendment becoming invalid under division (G)(2) of this section, the emergency rule or amendment will continue in effect beyond the one-hundred-eighty-day period.

(3) The general assembly, by adopting a concurrent resolution, and in accordance with section 107.43 of the Revised Code, may do either of the following:

(a) Invalidate, in whole or in part, an emergency rule adopted or amended by an agency in response to a state of emergency, as defined under section 107.42 of the Revised Code, under division (G)(1) of this section;

(b) Authorize an agency to readopt, in whole or in part, a rule that was rescinded in response to a state of emergency under division (G)(1) of this section.

(H) Rules adopted by an authority within the department of job and family services for the administration or enforcement of Chapter 4141. of the Revised Code or of the department of taxation shall be effective without a hearing as provided by this section if the statutes pertaining to such agency specifically give a right of appeal to the board of tax appeals or to a higher authority within the agency or to a court, and also give the appellant a right to a hearing on such appeal. This division does not apply to the adoption of any rule, amendment, or rescission by the tax commissioner under division (C)(1) or (2) of section 5117.02 of the Revised Code, or deny the right to file an action for declaratory judgment as provided in Chapter 2721. of the Revised Code from the decision of the board of tax appeals or of the higher authority within such agency.

Sec. 119.04. (A)(1) Any rule adopted by any agency shall be effective on the tenth day after the day on which the rule in final form and in compliance with division (A)(2) of this section is filed as follows:

(a) The rule shall be filed in electronic form with both the secretary of state and the director of the legislative service commission;

(b) The rule shall be filed in electronic form with the joint committee on agency rule review. Division (A)(1)(b) of this section does not apply to any rule to which division (C) of section 119.03 of the Revised Code does not apply.

If an agency in adopting a rule designates an effective date that is later than the effective date provided for by this division, the rule if filed as required by this division shall become effective on the later date designated by the agency.

An agency that adopts or amends a rule that is subject to section 106.03 of the Revised Code shall assign a review date to the rule that is not later than five years after its effective date. If a review date assigned to a rule exceeds the five-year maximum, the review date for the rule is five years after its effective date. A rule with a review date is subject to review under section 106.03 of

The above boxed and initialed text was disapproved.

Date

6/30/25

Mike DeWine

the Revised Code.

(2) The agency shall file the rule in compliance with the following standards and procedures:

(a) The rule shall be numbered in accordance with the numbering system devised by the director for the Ohio administrative code.

(b) The rule shall be prepared and submitted in compliance with ~~the rules~~ section 103.05 of the Revised Code and the rule drafting manual of the legislative service commission.

(c) The rule shall clearly state the date on which it is to be effective and the date on which it will expire, if known.

(d) Each rule that amends or rescinds another rule shall clearly refer to the rule that is amended or rescinded. Each amendment shall fully restate the rule as amended.

If the director of the legislative service commission or the director's designee gives an agency notice pursuant to section 103.05 of the Revised Code that a rule filed by the agency is not in compliance with ~~the rules~~ section 103.05 of the Revised Code and the rule drafting manual of the commission, the agency shall within thirty days after receipt of the notice conform the rule ~~to the rules of the commission~~ as directed in the notice.

(3) As used in this section, "rule" includes an amendment or rescission of a rule.

(B) The secretary of state and the director shall preserve the rules filed under division (A)(1) (a) of this section in an accessible manner. Each such rule shall be a public record open to public inspection and may be transmitted to any law publishing company that wishes to reproduce it.

Sec. 120.06. (A)(1) The state public defender, when designated by the court or requested by a county public defender or joint county public defender, may provide legal representation in all courts throughout the state to indigent adults and juveniles who are charged with the commission of an offense or act for which the penalty or any possible adjudication includes the potential loss of liberty.

(2) The state public defender may provide legal representation to any indigent person who, while incarcerated in any state correctional institution, is charged with a felony offense, for which the penalty or any possible adjudication that may be imposed by a court upon conviction includes the potential loss of liberty.

(3) The state public defender may provide legal representation to any person incarcerated in any correctional institution of the state, in any matter in which the person asserts the person is unlawfully imprisoned or detained.

(4) The state public defender, in any case in which the state public defender has provided legal representation or is requested to do so by a county public defender or joint county public defender, may provide legal representation on appeal.

~~(5) The~~ (5)(a) Except as provided in division (A)(5)(b) of this section, the state public defender, when designated by the court or requested by a county public defender, joint county public defender, or the director of rehabilitation and correction, shall provide legal representation in parole and probation revocation matters or matters relating to the revocation of community control or post-

release control under a community control sanction or post-release control sanction, unless the state public defender finds that the alleged parole or probation violator or alleged violator of a community control sanction or post-release control sanction has the financial capacity to retain the alleged violator's own counsel.

(b) If the state public defender determines that the state public defender does not have the capacity to provide the legal representation described in division (A)(5)(a) of this section, the state public defender may contract with private legal counsel to provide the legal representation described in that division.

(6) If the state public defender contracts with a county public defender commission, a joint county public defender commission, or a board of county commissioners for the provision of services, under authority of division (C)(7) of section 120.04 of the Revised Code, the state public defender shall provide legal representation in accordance with the contract.

(B) The state public defender shall not be required to prosecute any appeal, postconviction remedy, or other proceeding pursuant to division (A)(3), (4), or (5) of this section, unless the state public defender first is satisfied that there is arguable merit to the proceeding.

(C) A court may appoint counsel or allow an indigent person to select the indigent's own personal counsel to assist the state public defender as co-counsel when the interests of justice so require. When co-counsel is appointed to assist the state public defender, the co-counsel shall receive any compensation that the court may approve, not to exceed the amounts provided for in section 2941.51 of the Revised Code.

(D)(1) When the state public defender is designated by the court or requested by a county public defender or joint county public defender to provide legal representation for an indigent person in any case, other than pursuant to a contract entered into under authority of division (C)(7) of section 120.04 of the Revised Code, the state public defender shall send to the county in which the case is filed a bill detailing the actual cost of the representation that separately itemizes legal fees and expenses. The county, upon receipt of an itemized bill from the state public defender pursuant to this division, shall pay the state public defender one hundred per cent of the amount identified as legal fees and expenses in the itemized bill.

(2) Upon payment of the itemized bill under division (D)(1) of this section, the county may submit the cost of the legal fees and expenses to the state public defender for reimbursement pursuant to section 120.33 of the Revised Code.

(3) When the state public defender provides investigation or mitigation services to private appointed counsel or to a county or joint county public defender as approved by the appointing court, other than pursuant to a contract entered into under authority of division (C)(7) of section 120.04 of the Revised Code, the state public defender shall send to the county in which the case is filed a bill itemizing the actual cost of the services provided. The county, upon receipt of an itemized bill from the state public defender pursuant to this division, shall pay one hundred per cent of the amount as set forth in the itemized bill. Upon payment of the itemized bill received pursuant to this

division, the county may submit the cost of the investigation and mitigation services to the state public defender for reimbursement pursuant to section 120.33 of the Revised Code.

(4) There is hereby created in the state treasury the county representation fund for the deposit of moneys received from counties under this division. All moneys credited to the fund shall be used by the state public defender to provide legal representation for indigent persons when designated by the court or requested by a county or joint county public defender or to provide investigation or mitigation services, including investigation or mitigation services to private appointed counsel or a county or joint county public defender, as approved by the court.

(5) If the state public defender determines that the state public defender does not have the capacity to provide the legal representation described in division (A)(5)(a) of this section and the state public defender contracts with private legal counsel to provide the legal representation, the state public defender shall directly pay private legal counsel's fees and expenses from the indigent defense support fund pursuant to section 120.08 of the Revised Code.

(E)(1) Notwithstanding any contrary provision of sections 109.02, 109.07, 109.361 to 109.366, and 120.03 of the Revised Code that pertains to representation by the attorney general, an assistant attorney general, or special counsel of an officer or employee, as defined in section 109.36 of the Revised Code, or of an entity of state government, the state public defender may elect to contract with, and to have the state pay pursuant to division (E)(2) of this section for the services of, private legal counsel to represent the Ohio public defender commission, the state public defender, assistant state public defenders, other employees of the commission or the state public defender, and attorneys described in division (C) of section 120.41 of the Revised Code in a malpractice or other civil action or proceeding that arises from alleged actions or omissions related to responsibilities derived pursuant to this chapter, or in a civil action that is based upon alleged violations of the constitution or statutes of the United States, including section 1983 of Title 42 of the United States Code, 93 Stat. 1284 (1979), 42 U.S.C.A. 1983, as amended, and that arises from alleged actions or omissions related to responsibilities derived pursuant to this chapter, if the state public defender determines, in good faith, that the defendant in the civil action or proceeding did not act manifestly outside the scope of the defendant's employment or official responsibilities, with malicious purpose, in bad faith, or in a wanton or reckless manner. If the state public defender elects not to contract pursuant to this division for private legal counsel in a civil action or proceeding, then, in accordance with sections 109.02, 109.07, 109.361 to 109.366, and 120.03 of the Revised Code, the attorney general shall represent or provide for the representation of the Ohio public defender commission, the state public defender, assistant state public defenders, other employees of the commission or the state public defender, or attorneys described in division (C) of section 120.41 of the Revised Code in the civil action or proceeding.

(2)(a) Subject to division (E)(2)(b) of this section, payment from the state treasury for the services of private legal counsel with whom the state public defender has contracted pursuant to division (E)(1) of this section shall be accomplished only through the following procedure:

(i) The private legal counsel shall file with the attorney general a copy of the contract; a request for an award of legal fees, court costs, and expenses earned or incurred in connection with the defense of the Ohio public defender commission, the state public defender, an assistant state public defender, an employee, or an attorney in a specified civil action or proceeding; a written itemization of those fees, costs, and expenses, including the signature of the state public defender and the state public defender's attestation that the fees, costs, and expenses were earned or incurred pursuant to division (E)(1) of this section to the best of the state public defender's knowledge and information; a written statement whether the fees, costs, and expenses are for all legal services to be rendered in connection with that defense, are only for legal services rendered to the date of the request and additional legal services likely will have to be provided in connection with that defense, or are for the final legal services rendered in connection with that defense; a written statement indicating whether the private legal counsel previously submitted a request for an award under division (E)(2) of this section in connection with that defense and, if so, the date and the amount of each award granted; and, if the fees, costs, and expenses are for all legal services to be rendered in connection with that defense or are for the final legal services rendered in connection with that defense, a certified copy of any judgment entry in the civil action or proceeding or a signed copy of any settlement agreement entered into between the parties to the civil action or proceeding.

(ii) Upon receipt of a request for an award of legal fees, court costs, and expenses and the requisite supportive documentation described in division (E)(2)(a)(i) of this section, the attorney general shall review the request and documentation; determine whether any of the limitations specified in division (E)(2)(b) of this section apply to the request; and, if an award of legal fees, court costs, or expenses is permissible after applying the limitations, prepare a document awarding legal fees, court costs, or expenses to the private legal counsel. The document shall name the private legal counsel as the recipient of the award; specify the total amount of the award as determined by the attorney general; itemize the portions of the award that represent legal fees, court costs, and expenses; specify any limitation applied pursuant to division (E)(2)(b) of this section to reduce the amount of the award sought by the private legal counsel; state that the award is payable from the state treasury pursuant to division (E)(2)(a)(iii) of this section; and be approved by the inclusion of the signatures of the attorney general, the state public defender, and the private legal counsel.

(iii) The attorney general shall forward a copy of the document prepared pursuant to division (E)(2)(a)(ii) of this section to the director of budget and management. The award of legal fees, court costs, or expenses shall be paid out of the state public defender's appropriations, to the extent there is a sufficient available balance in those appropriations. If the state public defender does not have a sufficient available balance in the state public defender's appropriations to pay the entire award of legal fees, court costs, or expenses, the director shall make application for a transfer of appropriations out of the emergency purposes account or any other appropriation for emergencies or contingencies in an amount equal to the portion of the award that exceeds the sufficient available balance in the state public defender's appropriations. A transfer of appropriations out of the

emergency purposes account or any other appropriation for emergencies or contingencies shall be authorized if there are sufficient moneys greater than the sum total of then pending emergency purposes account requests, or requests for releases from the other appropriation. If a transfer of appropriations out of the emergency purposes account or other appropriation for emergencies or contingencies is made to pay an amount equal to the portion of the award that exceeds the sufficient available balance in the state public defender's appropriations, the director shall cause the payment to be made to the private legal counsel. If sufficient moneys do not exist in the emergency purposes account or other appropriation for emergencies or contingencies to pay an amount equal to the portion of the award that exceeds the sufficient available balance in the state public defender's appropriations, the private legal counsel shall request the general assembly to make an appropriation sufficient to pay an amount equal to the portion of the award that exceeds the sufficient available balance in the state public defender's appropriations, and no payment in that amount shall be made until the appropriation has been made. The private legal counsel shall make the request during the current biennium and during each succeeding biennium until a sufficient appropriation is made.

(b) An award of legal fees, court costs, and expenses pursuant to division (E) of this section is subject to the following limitations:

(i) The maximum award or maximum aggregate of a series of awards of legal fees, court costs, and expenses to the private legal counsel in connection with the defense of the Ohio public defender commission, the state public defender, an assistant state public defender, an employee, or an attorney in a specified civil action or proceeding shall not exceed fifty thousand dollars.

(ii) The private legal counsel shall not be awarded legal fees, court costs, or expenses to the extent the fees, costs, or expenses are covered by a policy of malpractice or other insurance.

(iii) The private legal counsel shall be awarded legal fees and expenses only to the extent that the fees and expenses are reasonable in light of the legal services rendered by the private legal counsel in connection with the defense of the Ohio public defender commission, the state public defender, an assistant state public defender, an employee, or an attorney in a specified civil action or proceeding.

(c) If, pursuant to division (E)(2)(a) of this section, the attorney general denies a request for an award of legal fees, court costs, or expenses to private legal counsel because of the application of a limitation specified in division (E)(2)(b) of this section, the attorney general shall notify the private legal counsel in writing of the denial and of the limitation applied.

(d) If, pursuant to division (E)(2)(c) of this section, a private legal counsel receives a denial of an award notification or if a private legal counsel refuses to approve a document under division (E)(2)(a)(ii) of this section because of the proposed application of a limitation specified in division (E)(2)(b) of this section, the private legal counsel may commence a civil action against the attorney general in the court of claims to prove the private legal counsel's entitlement to the award sought, to prove that division (E)(2)(b) of this section does not prohibit or otherwise limit the award sought, and to recover a judgment for the amount of the award sought. A civil action under division (E)(2)

(d) of this section shall be commenced no later than two years after receipt of a denial of award notification or, if the private legal counsel refused to approve a document under division (E)(2)(a)(ii) of this section because of the proposed application of a limitation specified in division (E)(2)(b) of this section, no later than two years after the refusal. Any judgment of the court of claims in favor of the private legal counsel shall be paid from the state treasury in accordance with division (E)(2)(a) of this section.

(F) If a court appoints the office of the state public defender to represent a petitioner in a postconviction relief proceeding under section 2953.21 of the Revised Code, the petitioner has received a sentence of death, and the proceeding relates to that sentence, all of the attorneys who represent the petitioner in the proceeding pursuant to the appointment, whether an assistant state public defender, the state public defender, or another attorney, shall be certified under Rule 20 of the Rules of Superintendence for the Courts of Ohio to represent indigent defendants charged with or convicted of an offense for which the death penalty can be or has been imposed.

(G)(1) The state public defender may conduct a legal assistance referral service for children committed to the department of youth services relative to conditions of confinement claims. If the legal assistance referral service receives a request for assistance from a child confined in a facility operated, or contracted for, by the department of youth services and the state public defender determines that the child has a conditions of confinement claim that has merit, the state public defender may refer the child to a private attorney. If no private attorney who the child has been referred to by the state public defender accepts the case within a reasonable time, the state public defender may prepare, as appropriate, pro se pleadings in the form of a complaint regarding the conditions of confinement at the facility where the child is confined with a motion for appointment of counsel and other applicable pleadings necessary for sufficient pro se representation.

(2) Division (G)(1) of this section does not authorize the state public defender to represent a child committed to the department of youth services in general civil matters arising solely out of state law.

(3) The state public defender shall not undertake the representation of a child in court based on a conditions of confinement claim arising under this division.

(H) A child's right to representation or services under this section is not affected by the child, or another person on behalf of the child, previously having paid for similar representation or services or having waived legal representation.

(I) The state public defender shall have reasonable access to any child committed to the department of youth services, department of youth services institution, and department of youth services record as needed to implement this section.

(J) As used in this section:

(1) "Community control sanction" has the same meaning as in section 2929.01 of the Revised Code.

(2) "Conditions of confinement" means any issue involving a constitutional right or other

civil right related to a child's incarceration, including, but not limited to, actions cognizable under 42 U.S.C. 1983.

(3) "Post-release control sanction" has the same meaning as in section 2967.01 of the Revised Code.

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-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, and directly paying private legal counsel's fees and expenses incurred pursuant to division (D)(5) of section 120.06 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 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 seventeen per cent of the money in the fund for the purposes of appointing assistant state public defenders, providing other personnel, equipment, and facilities necessary for the operation of the state public defender office, and providing training, developing and implementing electronic forms, or establishing and maintaining an information technology system used for the uniform operation of this chapter.

Sec. 121.02. The following administrative departments and their respective directors are hereby created:

(A) The office of budget and management, which shall be administered by the director of budget and management;

(B) The department of commerce, which shall be administered by the director of commerce;

(C) The department of administrative services, which shall be administered by the director of administrative services;

(D) The department of transportation, which shall be administered by the director of transportation;

(E) The department of agriculture, which shall be administered by the director of agriculture;

(F) The department of natural resources, which shall be administered by the director of natural resources;

(G) The department of health, which shall be administered by the director of health;

(H) The department of job and family services, which shall be administered by the director of job and family services;

(I) The department of children and youth, which shall be administered by the director of children and youth;

(J) The department of public safety, which shall be administered by the director of public safety;

(K) The department of ~~mental-behavioral health-and-addiction services~~, which shall be administered by the director of ~~mental-behavioral health-and-addiction services~~;

(L) The department of developmental disabilities, which shall be administered by the director of developmental disabilities;

(M) The department of insurance, which shall be administered by the superintendent of insurance as director thereof;

(N) The department of development, which shall be administered by the director of development;

(O) The department of youth services, which shall be administered by the director of youth services;

(P) The department of rehabilitation and correction, which shall be administered by the director of rehabilitation and correction;

(Q) The environmental protection agency, which shall be administered by the director of environmental protection;

(R) The department of aging, which shall be administered by the director of aging;

(S) The department of veterans services, which shall be administered by the director of veterans services;

(T) The department of medicaid, which shall be administered by the medicaid director;

(U) The department of education and workforce, which shall be administered by the director of education and workforce.

The director of each department shall exercise the powers and perform the duties vested by law in such department.

Sec. 121.03. The following administrative department heads shall be appointed by the governor, with the advice and consent of the senate, and shall hold their offices during the term of the appointing governor, and are subject to removal at the pleasure of the governor.

(A) The director of budget and management;

(B) The director of commerce;

(C) The director of transportation;

(D) The director of agriculture;

(E) The director of job and family services;

(F) The director of children and youth;

(G) The director of public safety;

(H) The superintendent of insurance;

(I) The director of development;

- (J) The tax commissioner;
- (K) The director of administrative services;
- (L) The director of natural resources;
- (M) The director of ~~mental behavioral health and addiction services~~;
- (N) The director of developmental disabilities;
- (O) The director of health;
- (P) The director of youth services;
- (Q) The director of rehabilitation and correction;
- (R) The director of environmental protection;
- (S) The director of aging;
- (T) The administrator of workers' compensation who meets the qualifications required under division (A) of section 4121.121 of the Revised Code;
- (U) The director of veterans services who meets the qualifications required under section 5902.01 of the Revised Code;
- (V) The chancellor of higher education;
- (W) The medicaid director;
- (X) The director of education and workforce.

Sec. 121.085. The financial literacy education fund is hereby created in the state treasury. The fund shall consist of funds transferred to it from the consumer finance fund pursuant to section 1321.21 of the Revised Code. The fund shall be used to support various ~~adult~~ financial literacy education programs developed or implemented by the director of commerce. The fund shall be administered by the director of commerce who shall adopt rules for the distribution of fund moneys. ~~The director of commerce shall adopt a rule to require that at least one half of the financial literacy education programs developed or implemented pursuant to this section, and offered to the public, be presented by or available at public community colleges or state institutions throughout the state.~~ The director of commerce shall deliver to the president of the senate, the speaker of the house of representatives, the minority leader of the senate, the minority leader of the house of representatives, and the governor an annual report that includes an outline of each adult financial literacy education program developed or implemented, the number of individuals who were educated by each program, and an accounting for all funds distributed.

Sec. 121.16. Not later than ten days after receiving notice from the federal government about a reduction or other modification to federal funding a state agency receives, the state agency that received the notice shall submit a copy to the president of the senate, or the president's designee, and to the speaker of the house of representatives, or the speaker's designee.

Not later than ten days after receiving notice from the federal government that a state program is or may be out of compliance with federal requirements, the state agency that received the notice shall submit a copy to the president of the senate, or the president's designee, and to the speaker of the house of representatives, or the speaker's designee.

Sec. 121.22. (A) This section shall be liberally construed to require public officials to take official action and to conduct all deliberations upon official business only in open meetings unless the subject matter is specifically excepted by law.

(B) As used in this section:

(1) "Public body" means any of the following:

(a) Any board, commission, committee, council, or similar decision-making body of a state agency, institution, or authority, and any legislative authority or board, commission, committee, council, agency, authority, or similar decision-making body of any county, township, municipal corporation, school district, or other political subdivision or local public institution;

(b) Any committee or subcommittee of a body described in division (B)(1)(a) of this section;

(c) A court of jurisdiction of a sanitary district organized wholly for the purpose of providing a water supply for domestic, municipal, and public use when meeting for the purpose of the appointment, removal, or reappointment of a member of the board of directors of such a district pursuant to section 6115.10 of the Revised Code, if applicable, or for any other matter related to such a district other than litigation involving the district. As used in division (B)(1)(c) of this section, "court of jurisdiction" has the same meaning as "court" in section 6115.01 of the Revised Code.

(2) "Meeting" means any prearranged discussion of the public business of the public body by a majority of its members.

(3) "Regulated individual" means either of the following:

(a) A student in a state or local public educational institution;

(b) A person who is, voluntarily or involuntarily, an inmate, patient, or resident of a state or local institution because of criminal behavior, mental illness, an intellectual disability, disease, disability, age, or other condition requiring custodial care.

(4) "Public office" has the same meaning as in section 149.011 of the Revised Code.

(C) All meetings of any public body are declared to be public meetings open to the public at all times. A member of a public body shall be present in person at a meeting open to the public to be considered present or to vote at the meeting and for purposes of determining whether a quorum is present at the meeting.

The minutes of a regular or special meeting of any public body shall be promptly prepared, filed, and maintained and shall be open to public inspection. The minutes need only reflect the general subject matter of discussions in executive sessions authorized under division (G) or (J) of this section.

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

(1) A grand jury;

(2) An audit conference conducted by the auditor of state or independent certified public accountants with officials of the public office that is the subject of the audit;

(3) The adult parole authority when its hearings are conducted at a correctional institution for the sole purpose of interviewing inmates to determine parole or pardon and the department of

rehabilitation and correction when its hearings are conducted at a correctional institution for the sole purpose of making determinations under section 2967.271 of the Revised Code regarding the release or maintained incarceration of an offender to whom that section applies;

(4) The organized crime investigations commission established under section 177.01 of the Revised Code;

(5) Meetings of a child fatality review board established under section 307.621 of the Revised Code, meetings related to a review conducted pursuant to guidelines established by the director of health under section 3701.70 of the Revised Code, and meetings conducted pursuant to sections 5153.171 to 5153.173 of the Revised Code;

(6) The state medical board when determining whether to suspend a license or certificate without a prior hearing pursuant to division (G) of either section 4730.25 or 4731.22 of the Revised Code;

(7) The board of nursing when determining whether to suspend a license or certificate without a prior hearing pursuant to division (B) of section 4723.281 of the Revised Code;

(8) The state board of pharmacy when determining whether to do either of the following:

(a) Suspend a license, certification, or registration without a prior hearing, including during meetings conducted by telephone conference, pursuant to Chapters 3719., 3796., 4729., and 4752. of the Revised Code and rules adopted thereunder; or

(b) Restrict a person from obtaining further information from the drug database established in section 4729.75 of the Revised Code without a prior hearing pursuant to division (C) of section 4729.86 of the Revised Code.

(9) The state chiropractic board when determining whether to suspend a license without a hearing pursuant to section 4734.37 of the Revised Code;

(10) The executive committee of the emergency response commission when determining whether to issue an enforcement order or request that a civil action, civil penalty action, or criminal action be brought to enforce Chapter 3750. of the Revised Code;

(11) The board of directors of the nonprofit corporation formed under section 187.01 of the Revised Code or any committee thereof, and the board of directors of any subsidiary of that corporation or a committee thereof;

(12) An audit conference conducted by the audit staff of the department of job and family services with officials of the public office that is the subject of that audit under section 5101.37 of the Revised Code;

(13) The occupational therapy section of the occupational therapy, physical therapy, and athletic trainers board when determining whether to suspend a license without a hearing pursuant to division (E) of section 4755.11 of the Revised Code;

(14) The physical therapy section of the occupational therapy, physical therapy, and athletic trainers board when determining whether to suspend a license without a hearing pursuant to division (F) of section 4755.47 of the Revised Code;

(15) The athletic trainers section of the occupational therapy, physical therapy, and athletic trainers board when determining whether to suspend a license without a hearing pursuant to division (E) of section 4755.64 of the Revised Code;

(16) Meetings of the pregnancy-associated mortality review board established under section ~~3738.01~~ 5180.27 of the Revised Code;

(17) Meetings of a fetal-infant mortality review board established under section 3707.71 of the Revised Code;

(18) Meetings of a drug overdose fatality review committee described in section 307.631 of the Revised Code;

(19) Meetings of a suicide fatality review committee described in section 307.641 of the Revised Code;

(20) Meetings of the officers, members, or directors of an existing qualified nonprofit corporation that creates a special improvement district under Chapter 1710. of the Revised Code, at which the public business of the corporation pertaining to a purpose for which the district is created is not discussed;

(21) Meetings of a domestic violence fatality review board established under section 307.651 of the Revised Code;

(22) Any nonprofit agency that has received an endorsement under section ~~122.69~~ 5101.315 of the Revised Code.

(E) The controlling board, the tax credit authority, or the minority development financing advisory board, when meeting to consider granting assistance pursuant to Chapter 122. or 166. of the Revised Code, in order to protect the interest of the applicant or the possible investment of public funds, by unanimous vote of all board or authority members present, may close the meeting during consideration of the following information confidentially received by the authority or board from the applicant:

- (1) Marketing plans;
- (2) Specific business strategy;
- (3) Production techniques and trade secrets;
- (4) Financial projections;
- (5) Personal financial statements of the applicant or members of the applicant's immediate family, including, but not limited to, tax records or other similar information not open to public inspection.

The vote by the authority or board to accept or reject the application, as well as all proceedings of the authority or board not subject to this division, shall be open to the public and governed by this section.

(F) Every public body, by rule, shall establish a reasonable method whereby any person may determine the time and place of all regularly scheduled meetings and the time, place, and purpose of all special meetings. A public body shall not hold a special meeting unless it gives at least twenty-

four hours' advance notice to the news media that have requested notification, except in the event of an emergency requiring immediate official action. In the event of an emergency, the member or members calling the meeting shall notify the news media that have requested notification immediately of the time, place, and purpose of the meeting.

The rule shall provide that any person, upon request and payment of a reasonable fee, may obtain reasonable advance notification of all meetings at which any specific type of public business is to be discussed. Provisions for advance notification may include, but are not limited to, mailing the agenda of meetings to all subscribers on a mailing list or mailing notices in self-addressed, stamped envelopes provided by the person.

(G) Except as provided in divisions (G)(8) and (J) of this section, the members of a public body may hold an executive session only after a majority of a quorum of the public body determines, by a roll call vote, to hold an executive session and only at a regular or special meeting for the sole purpose of the consideration of any of the following matters:

(1) To consider the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of a public employee or official, or the investigation of charges or complaints against a public employee, official, licensee, or regulated individual, unless the public employee, official, licensee, or regulated individual requests a public hearing. Except as otherwise provided by law, no public body shall hold an executive session for the discipline of an elected official for conduct related to the performance of the elected official's official duties or for the elected official's removal from office. If a public body holds an executive session pursuant to division (G)(1) of this section, the motion and vote to hold that executive session shall state which one or more of the approved purposes listed in division (G)(1) of this section are the purposes for which the executive session is to be held, but need not include the name of any person to be considered at the meeting.

(2) To consider the purchase of property for public purposes, the sale of property at competitive bidding, or the sale or other disposition of unneeded, obsolete, or unfit-for-use property in accordance with section 505.10 of the Revised Code, if premature disclosure of information would give an unfair competitive or bargaining advantage to a person whose personal, private interest is adverse to the general public interest. No member of a public body shall use division (G)(2) of this section as a subterfuge for providing covert information to prospective buyers or sellers. A purchase or sale of public property is void if the seller or buyer of the public property has received covert information from a member of a public body that has not been disclosed to the general public in sufficient time for other prospective buyers and sellers to prepare and submit offers.

If the minutes of the public body show that all meetings and deliberations of the public body have been conducted in compliance with this section, any instrument executed by the public body purporting to convey, lease, or otherwise dispose of any right, title, or interest in any public property shall be conclusively presumed to have been executed in compliance with this section insofar as title or other interest of any bona fide purchasers, lessees, or transferees of the property is concerned.

(3) Conferences with an attorney for the public body concerning disputes involving the

public body that are the subject of pending or imminent court action;

(4) Preparing for, conducting, or reviewing negotiations or bargaining sessions with public employees concerning their compensation or other terms and conditions of their employment;

(5) Matters required to be kept confidential by federal law or regulations or state statutes;

(6) Details relative to the security arrangements and emergency response protocols for a public body or a public office, if disclosure of the matters discussed could reasonably be expected to jeopardize the security of the public body or public office;

(7) In the case of a county hospital operated pursuant to Chapter 339. of the Revised Code, a joint township hospital operated pursuant to Chapter 513. of the Revised Code, or a municipal hospital operated pursuant to Chapter 749. of the Revised Code, to consider trade secrets, as defined in section 1333.61 of the Revised Code;

(8) To consider confidential information related to the marketing plans, specific business strategy, production techniques, trade secrets, or personal financial statements of an applicant for economic development assistance, or to negotiations with other political subdivisions respecting requests for economic development assistance, provided that both of the following conditions apply:

(a) The information is directly related to a request for economic development assistance that is to be provided or administered under any provision of Chapter 715., 725., 1724., or 1728. or sections 701.07, 3735.67 to 3735.70, 5709.40 to 5709.43, 5709.61 to 5709.69, 5709.73 to 5709.75, or 5709.77 to 5709.81 of the Revised Code, or that involves public infrastructure improvements or the extension of utility services that are directly related to an economic development project.

(b) A unanimous quorum of the public body determines, by a roll call vote, that the executive session is necessary to protect the interests of the applicant or the possible investment or expenditure of public funds to be made in connection with the economic development project.

If a public body holds an executive session to consider any of the matters listed in divisions (G)(2) to (8) of this section, the motion and vote to hold that executive session shall state which one or more of the approved matters listed in those divisions are to be considered at the executive session.

A public body specified in division (B)(1)(c) of this section shall not hold an executive session when meeting for the purposes specified in that division.

(H) A resolution, rule, or formal action of any kind is invalid unless adopted in an open meeting of the public body. A resolution, rule, or formal action adopted in an open meeting that results from deliberations in a meeting not open to the public is invalid unless the deliberations were for a purpose specifically authorized in division (G) or (J) of this section and conducted at an executive session held in compliance with this section. A resolution, rule, or formal action adopted in an open meeting is invalid if the public body that adopted the resolution, rule, or formal action violated division (F) of this section.

(I)(1) Any person may bring an action to enforce this section. An action under division (I)(1) of this section shall be brought within two years after the date of the alleged violation or threatened

violation. Upon proof of a violation or threatened violation of this section in an action brought by any person, the court of common pleas shall issue an injunction to compel the members of the public body to comply with its provisions.

(2)(a) If the court of common pleas issues an injunction pursuant to division (I)(1) of this section, the court shall order the public body that it enjoins to pay a civil forfeiture of five hundred dollars to the party that sought the injunction and shall award to that party all court costs and, subject to reduction as described in division (I)(2) of this section, reasonable attorney's fees. The court, in its discretion, may reduce an award of attorney's fees to the party that sought the injunction or not award attorney's fees to that party if the court determines both of the following:

(i) That, based on the ordinary application of statutory law and case law as it existed at the time of violation or threatened violation that was the basis of the injunction, a well-informed public body reasonably would believe that the public body was not violating or threatening to violate this section;

(ii) That a well-informed public body reasonably would believe that the conduct or threatened conduct that was the basis of the injunction would serve the public policy that underlies the authority that is asserted as permitting that conduct or threatened conduct.

(b) If the court of common pleas does not issue an injunction pursuant to division (I)(1) of this section and the court determines at that time that the bringing of the action was frivolous conduct, as defined in division (A) of section 2323.51 of the Revised Code, the court shall award to the public body all court costs and reasonable attorney's fees, as determined by the court.

(3) Irreparable harm and prejudice to the party that sought the injunction shall be conclusively and irrebuttably presumed upon proof of a violation or threatened violation of this section.

(4) A member of a public body who knowingly violates an injunction issued pursuant to division (I)(1) of this section may be removed from office by an action brought in the court of common pleas for that purpose by the prosecuting attorney or the attorney general.

(J)(1) Pursuant to division (C) of section 5901.09 of the Revised Code, a veterans service commission shall hold an executive session for one or more of the following purposes unless an applicant requests a public hearing:

(a) Interviewing an applicant for financial assistance under sections 5901.01 to 5901.15 of the Revised Code;

(b) Discussing applications, statements, and other documents described in division (B) of section 5901.09 of the Revised Code;

(c) Reviewing matters relating to an applicant's request for financial assistance under sections 5901.01 to 5901.15 of the Revised Code.

(2) A veterans service commission shall not exclude an applicant for, recipient of, or former recipient of financial assistance under sections 5901.01 to 5901.15 of the Revised Code, and shall not exclude representatives selected by the applicant, recipient, or former recipient, from a meeting

that the commission conducts as an executive session that pertains to the applicant's, recipient's, or former recipient's application for financial assistance.

(3) A veterans service commission shall vote on the grant or denial of financial assistance under sections 5901.01 to 5901.15 of the Revised Code only in an open meeting of the commission. The minutes of the meeting shall indicate the name, address, and occupation of the applicant, whether the assistance was granted or denied, the amount of the assistance if assistance is granted, and the votes for and against the granting of assistance.

Sec. 121.35. (A) Subject to division (B) of this section, the following state agencies shall collaborate to revise and make more uniform the eligibility standards and eligibility determination procedures of programs the state agencies administer:

- (1) The department of aging;
- (2) The department of development;
- (3) The department of developmental disabilities;
- (4) The department of education and workforce;
- (5) The department of health;
- (6) The department of job and family services;
- (7) The department of medicaid;
- (8) The department of ~~mental behavioral health and addiction services~~;
- (9) The opportunities for Ohioans with disabilities agency;
- (10) The department of children and youth.

(B) In revising eligibility standards and eligibility determination procedures, a state agency shall not make any program's eligibility standards or eligibility determination procedures inconsistent with state or federal law. To the extent authorized by state and federal law, the revisions may provide for the state agencies to share administrative operations.

Sec. 121.36. (A) As used in this section, "home care dependent adult" means an individual who resides in a private home or other noninstitutional and unlicensed living arrangement, without the presence of a parent or guardian, but has health and safety needs that require the provision of regularly scheduled home care services to remain in the home or other living arrangement because one of the following is the case:

(1) The individual is at least twenty-one years of age but less than sixty years of age and has a physical disability or mental impairment.

(2) The individual is sixty years of age or older, regardless of whether the individual has a physical disability or mental impairment.

(B) Except as provided in division (D) of this section, the departments of developmental disabilities, aging, job and family services, and health shall each implement this section with respect to all contracts entered into by the department for the provision of home care services to home care dependent adults that are paid for in whole or in part with federal, state, or local funds. Except as provided in division (D) of this section, each department shall also require all public and private

entities that receive money from or through the department to comply with this section when entering into contracts for the provision of home care services to home care dependent adults that are paid for in whole or in part with federal, state, or local funds. Such entities may include county boards of developmental disabilities, area agencies on aging, county departments of job and family services, and boards of health of city and general health districts.

(C) ~~Beginning one year after September 26, 2003, each~~ Each contract subject to this section shall include terms requiring that the provider of home care services to home care dependent adults have a system in place that effectively monitors the delivery of the services by its employees. To be considered an effective monitoring system for purposes of the contract, the system established by a provider must include at least the following components:

(1) When providing home care services to home care dependent adults who have a mental impairment or life-threatening health condition, a mechanism to verify whether the provider's employees are present at the location where the services are to be provided and at the time the services are to be provided;

(2) When providing home care services to all other home care dependent adults, a system to verify at the end of each working day whether the provider's employees have provided the services at the proper location and time;

(3) A protocol to be followed in scheduling a substitute employee when the monitoring system identifies that an employee has failed to provide home care services at the proper location and time, including standards for determining the length of time that may elapse without jeopardizing the health and safety of the home care dependent adult;

(4) Procedures for maintaining records of the information obtained through the monitoring system;

(5) Procedures for compiling annual reports of the information obtained through the monitoring system, including statistics on the rate at which home care services were provided at the proper location and time;

(6) Procedures for conducting random checks of the accuracy of the monitoring system. For purposes of conducting these checks, a random check is considered to be a check of not more than five per cent of the home care visits the provider's employees make to different home care dependent adults within a particular work shift.

(D) In implementing this section, the departments shall exempt ~~providers the following from the section's requirements:~~

(1) Providers of home care services who are self-employed providers with no other employees or are otherwise considered by the departments not to be agency providers. ~~The departments shall conduct a study on how the exempted providers may be made subject to the requirement of effectively monitoring whether home care services are being provided and have been provided at the proper location and time. Not later than two years after September 26, 2003, the departments shall prepare a report of their findings and recommendations. The report shall be~~

~~submitted to the president of the senate and the speaker of the house of representatives;~~

(2) Providers who utilize an electronic visit verification system as described in section 12006 of the "21st Century Cures Act of 2016," 42 U.S.C. 1903(l).

(E) The departments of developmental disabilities, aging, job and family services, and health shall each adopt rules as necessary to implement this section. The rules shall be adopted in accordance with Chapter 119. of the Revised Code.

Sec. 121.37. (A)(1) There is hereby created the Ohio family and children first cabinet council. The council shall be composed of the director of education and workforce, the executive director of the opportunities for Ohioans with disabilities agency, the medicaid director, and the ~~directors of youth services, job and family services, mental behavioral health and addiction services,~~ health, developmental disabilities, aging, rehabilitation and correction, children and youth, and budget and management. The chairperson of the council shall be the governor or the governor's designee and shall establish procedures for the council's internal control and management.

The purpose of the cabinet council is to help families seeking government services. This section shall not be interpreted or applied to usurp the role of parents, but solely to streamline and coordinate existing government services for families seeking assistance for their children.

(2) In seeking to fulfill its purpose, the council may do any of the following:

(a) Advise and make recommendations to the governor and general assembly regarding the provision of services to children;

(b) Advise and assess local governments on the coordination of service delivery to children;

(c) Hold meetings at such times and places as may be prescribed by the council's procedures and maintain records of the meetings, except that records identifying individual children are confidential and shall be disclosed only as provided by law;

(d) Develop programs and projects, including pilot projects, to encourage coordinated efforts at the state and local level to improve the state's social service delivery system;

(e) Enter into contracts with and administer grants to county family and children first councils, as well as other county or multicounty organizations to plan and coordinate service delivery between state agencies and local service providers for families and children;

(f) Enter into contracts with and apply for grants from federal agencies or private organizations;

(g) Enter into interagency agreements to encourage coordinated efforts at the state and local level to improve the state's social service delivery system. The agreements may include provisions regarding the receipt, transfer, and expenditure of funds;

(h) Identify public and private funding sources for services provided to alleged or adjudicated unruly children and children who are at risk of being alleged or adjudicated unruly children, including regulations governing access to and use of the services;

(i) Collect information provided by local communities regarding successful programs for prevention, intervention, and treatment of unruly behavior, including evaluations of the programs;

(j) Identify and disseminate publications regarding alleged or adjudicated unruly children and children who are at risk of being alleged or adjudicated unruly children and regarding programs serving those types of children;

(k) Maintain an inventory of strategic planning facilitators for use by government or nonprofit entities that serve alleged or adjudicated unruly children or children who are at risk of being alleged or adjudicated unruly children.

(3) The cabinet council shall provide for the following:

(a) Reviews of service and treatment plans for children for which such reviews are requested;

(b) Assistance as the council determines to be necessary to meet the needs of children referred by county family and children first councils;

(c) Monitoring and supervision of a statewide, comprehensive, coordinated, multi-disciplinary, interagency system for infants and toddlers with developmental disabilities or delays and their families, as established pursuant to federal grants received and administered by the department of children and youth for early intervention services under the "Individuals with Disabilities Education Act of 2004," 118 Stat. 2744, 20 U.S.C.A. 1400, as amended;

(d) Establishing and maintaining the Ohio automated service coordination system pursuant to section 121.376 of the Revised Code.

(4) The cabinet council shall develop and implement the following:

(a) An interagency process to select the indicators that will be used to measure progress toward increasing child well-being in the state and to update the indicators on an annual basis.

(b) An interagency system to offer guidance and monitor progress toward increasing child well-being in the state and in each county;

(c) An annual plan that identifies state-level agency efforts taken to ensure progress towards increasing child well-being in the state;

(d) A state appeals process to resolve disputes among the members of a county council, established under division (B) of this section, concerning whether reasonable responsibilities are being shared. The appeals process may be accessed only by a majority vote of the council members who are required to serve on the council. Upon appeal, the cabinet council may order that state funds for services to children and families be redirected to a county's board of county commissioners.

(5) On an annual basis, the cabinet council shall submit to the governor and the general assembly a report on the status of efforts to increase child well-being in the state. This report shall be made available to any other person on request.

(6) The cabinet council state office may adopt rules governing the responsibilities of county family and children first councils established in division ~~(B)(3)(B)(5)~~ of this section.

~~(B)(1) Each~~ Except as provided in division (B)(2) of this section, each board of county commissioners shall establish a county family and children first council. The board may invite any local public or private agency or group that funds, advocates, or provides services to children and

families to have a representative become a permanent or temporary member of its county council. Each county council must include the following individuals:

(a) At least three individuals ~~who are not employed by an agency represented on the council and whose families are receiving~~ or have received services from an agency represented on the council or another county's council. If such an individual is employed by an agency represented on the council, the individual shall complete a conflict of interest disclosure form and abstain from any vote that involves the agency that employs the individual. Where possible, the number of members representing families ~~shall~~ may be equal to twenty per cent of the council's membership.

(b) The director of the board of alcohol, drug addiction, and mental health services that serves the county, or, in the case of a county that has a board of alcohol and drug addiction services and a community mental health board, the directors of both boards. If a board of alcohol, drug addiction, and mental health services covers more than one county, the director may designate a person to participate on the county's council.

(c) The health commissioner, or the commissioner's designee, of the board of health of each city and general health district in the county. If the county has two or more health districts, the health commissioner membership may be limited to the commissioners of the two districts with the largest populations.

(d) The director of the county department of job and family services;

(e) The executive director of the public children services agency;

(f) The superintendent of the county board of developmental disabilities or, if the superintendent serves as superintendent of more than one county board of developmental disabilities, the superintendent's designee;

(g) The superintendent of the city, exempted village, or local school district with the largest number of pupils residing in the county, or a district-level administrative designee with decision-making authority, as determined by the department of education and workforce, which shall notify each board of county commissioners of its determination at least biennially;

(h) A school superintendent representing all other school districts with territory in the county, or a district-level administrative designee with decision-making authority, as designated at a biennial meeting of the superintendents of those districts;

(i) A representative of the municipal corporation with the largest population in the county;

(j) The president of the board of county commissioners or an individual designated by the board;

(k) A representative of the department of youth services or an individual designated by the department;

(l) A representative of the county's head start agencies, as defined in section 3301.32 of the Revised Code;

(m) A representative of the county's early intervention collaborative established pursuant to the federal early intervention program operated under the "Individuals with Disabilities Education

Act of 2004";

(n) A representative of a local nonprofit entity that funds, advocates, or provides services to children and families.

Notwithstanding any other provision of law, the public members of a county council are not prohibited from serving on the council and making decisions regarding the duties of the council, including those involving the funding of joint projects and those outlined in the county's service coordination mechanism implemented pursuant to division (C) of this section.

The county's juvenile court judge senior in service or another judge of the juvenile court designated by the administrative judge or, where there is no administrative judge, by the judge senior in service shall serve as the judicial advisor to the county family and children first council. The judge may advise the county council on the court's utilization of resources, services, or programs provided by the entities represented by the members of the county council and how those resources, services, or programs assist the court in its administration of justice. Service of a judge as a judicial advisor pursuant to this section is a judicial function.

(2) By passing a resolution, a board of county commissioners may decide not to establish or maintain a county family and children first council for the county if the board determines that all of the following conditions exist:

(a) Alternative programs and services exist in the county to meet the needs of those served by a family and children first council.

(b) A family and children first council for the county is not or would not be sufficiently funded to make the council financially sustainable.

(c) The director of the county department of job and family services, executive director of the public children services agency, and county board of developmental disabilities each recommend to the board of county commissioners not to establish or maintain a county family and children first council.

(3) A county's board of county commissioners that has decided to not establish or maintain a county family and children first council may reconsider the decision at any time but shall do so not later than five years after the date the resolution passed. In reconsidering the decision, the board of county commissioners shall determine whether all the conditions described in division (B)(2) of this section exist.

(4) The purpose of the county council is to streamline and coordinate existing government services for families seeking services for their children. In seeking to fulfill its purpose, a county council shall provide for the following:

(a) Referrals to the cabinet council of those children for whom the county council cannot provide adequate services;

(b) Development and implementation of a process that annually evaluates and prioritizes services, fills service gaps where possible, and invents new approaches to achieve better results for families and children;

(c) Participation in the development of a countywide, comprehensive, coordinated, multi-disciplinary, interagency system for infants and toddlers with developmental disabilities or delays and their families, as established pursuant to federal grants received and administered by the department of children and youth for early intervention services under the "Individuals with Disabilities Education Act of 2004";

(d) Maintenance of an accountability system to monitor the county council's progress in achieving results for families and children;

(c) Establishment of a mechanism to ensure ongoing input from a broad representation of families who are receiving services within the county system.

~~(3)~~(5) A county council shall develop and implement the following:

(a) An interagency process to establish local indicators and monitor the county's progress toward increasing child well-being in the county;

(b) An interagency process to identify local priorities to increase child well-being.

(c) An annual plan that identifies the county's interagency efforts to increase child well-being in the county.

On an annual basis, the county council shall submit a report on the status of efforts by the county to increase child well-being in the county to the county's board of county commissioners and the cabinet council. This report shall be made available to any other person on request.

~~(4)(a)(6)(a)~~ Except as provided in division ~~(B)(4)(b)~~(B)(6)(b) of this section, a county council shall comply with the policies, procedures, and activities prescribed by the rules or interagency agreements of a state department participating on the cabinet council whenever the county council performs a function subject to those rules or agreements.

(b) On application of a county council, the cabinet council may grant an exemption from any rules or interagency agreements of a state department participating on the council if an exemption is necessary for the council to implement an alternative program or approach for service delivery to families and children. The application shall describe the proposed program or approach and specify the rules or interagency agreements from which an exemption is necessary. The cabinet council shall approve or disapprove the application in accordance with standards and procedures it shall adopt. If an application is approved, the exemption is effective only while the program or approach is being implemented, including a reasonable period during which the program or approach is being evaluated for effectiveness.

~~(5)(a)(7)(a)~~ Each county council shall designate an administrative agent for the council from among the following public entities: the board of alcohol, drug addiction, and mental health services, including a board of alcohol and drug addiction or a community mental health board if the county is served by separate boards; the board of county commissioners; any board of health of the county's city and general health districts; the county department of job and family services; the county agency responsible for the administration of children services pursuant to section 5153.15 of the Revised Code; the county board of developmental disabilities; any of the county's boards of education or

governing boards of educational service centers; or the county's juvenile court. Any of the foregoing public entities, other than the board of county commissioners, may decline to serve as the council's administrative agent.

A county council's administrative agent shall serve as the council's appointing authority for any employees of the council. The council shall file an annual budget with its administrative agent, with copies filed with the county auditor and with the board of county commissioners, unless the board is serving as the council's administrative agent. The council's administrative agent shall ensure that all expenditures are handled in accordance with policies, procedures, and activities prescribed by state departments in rules, grant agreements, or interagency agreements that are applicable to the council's functions.

The administrative agent of a county council ~~shall~~ may send notice of a member's absence if a member listed in division (B)(1) of this section has been absent from either three consecutive meetings of the county council or a county council subcommittee, or from one-quarter of such meetings in a calendar year, whichever is less. The notice shall be sent to the board of county commissioners that establishes the county council and, for the members listed in divisions (B)(1)(b), (c), (e), and (l) of this section, to the governing board overseeing the respective entity; for the member listed in division (B)(1)(f) of this section, to the county board of developmental disabilities that employs the superintendent; for a member listed in division (B)(1)(g) or (h) of this section, to the school board that employs the superintendent; for the member listed in division (B)(1)(i) of this section, to the mayor of the municipal corporation; for the member listed in division (B)(1)(k) of this section, to the director of youth services; and for the member listed in division (B)(1)(n) of this section, to that member's board of trustees.

The administrative agent for a county council may do any of the following on behalf of the council:

(i) Enter into agreements or administer contracts with public or private entities to fulfill specific council business. Such agreements and contracts are exempt from the competitive bidding requirements of section 307.86 of the Revised Code if they have been approved by the county council and they are for the purchase of services for families and children. The approval of the county council is not required to exempt agreements or contracts entered into under section 5139.34, 5139.41, or 5139.43 of the Revised Code from the competitive bidding requirements of section 307.86 of the Revised Code.

(ii) As determined by the council, provide financial stipends, reimbursements, or both, to family representatives for expenses related to council activity;

(iii) Receive by gift, grant, devise, or bequest any moneys, lands, or other property for the purposes for which the council is established. The agent shall hold, apply, and dispose of the moneys, lands, or other property according to the terms of the gift, grant, devise, or bequest. Any interest or earnings shall be treated in the same manner and are subject to the same terms as the gift, grant, devise, or bequest from which it accrues.

(b)(i) If the county council designates the board of county commissioners as its administrative agent, the board may, by resolution, delegate any of its powers and duties as administrative agent to an executive committee the board establishes from the membership of the county council. The board shall name to the executive committee at least the individuals described in divisions (B)(1)(b) to (h) of this section and may appoint the president of the board or another individual as the chair of the executive committee. The executive committee must include at least one family county council representative who does not have a family member employed by an agency represented on the council.

(ii) The executive committee may, with the approval of the board, hire an executive director to assist the county council in administering its powers and duties. The executive director shall serve in the unclassified civil service at the pleasure of the executive committee. The executive director may, with the approval of the executive committee, hire other employees as necessary to properly conduct the county council's business.

(iii) The board may require the executive committee to submit an annual budget to the board for approval and may amend or repeal the resolution that delegated to the executive committee its authority as the county council's administrative agent.

~~(6)~~(8) Two or more county councils may enter into an agreement to administer their county councils jointly by creating a regional family and children first council. A regional council possesses the same duties and authority possessed by a county council, except that the duties and authority apply regionally rather than to individual counties. Prior to entering into an agreement to create a regional council, the members of each county council to be part of the regional council shall meet to determine whether all or part of the members of each county council will serve as members of the regional council.

~~(7)~~(9) A board of county commissioners may approve a resolution by a majority vote of the board's members that requires the county council to submit a statement to the board each time the council proposes to enter into an agreement, adopt a plan, or make a decision, other than a decision pursuant to section 121.38 of the Revised Code, that requires the expenditure of funds for two or more families. The statement shall describe the proposed agreement, plan, or decision.

Not later than fifteen days after the board receives the statement, it shall, by resolution approved by a majority of its members, approve or disapprove the agreement, plan, or decision. Failure of the board to pass a resolution during that time period shall be considered approval of the agreement, plan, or decision.

An agreement, plan, or decision for which a statement is required to be submitted to the board shall be implemented only if it is approved by the board.

(C) Each county shall develop a county service coordination mechanism. The county service coordination mechanism shall serve as the guiding document for coordination of services in the county. For children who also receive services under the early intervention program, the main provider of service coordination shall be an early intervention service coordinator to ensure

compliance with section ~~5123.02~~ 5180.30 of the Revised Code. All family service coordination plans shall be developed in accordance with the county service coordination mechanism. The mechanism shall be developed and approved with the participation of the county entities representing child welfare; developmental disabilities; alcohol, drug addiction, and mental health services; health; juvenile judges; education; the county family and children first council; and the county early intervention collaborative established pursuant to the federal early intervention program operated under the "Individuals with Disabilities Education Act of 2004." The county shall establish an implementation schedule for the mechanism. The cabinet council may monitor the implementation and administration of each county's service coordination mechanism.

Each mechanism shall include all of the following:

(1) A procedure for an agency, including a juvenile court, or a family voluntarily seeking service coordination, to refer the child and family to the county council for service coordination in accordance with the mechanism;

(2) A procedure ensuring that a family and all appropriate staff from involved agencies, including a representative from the appropriate school district, are notified of and invited to participate in all family service coordination plan meetings;

(3) A procedure that permits a family to initiate a meeting to develop or review the family's service coordination plan and allows the family to invite a family advocate, mentor, or support person of the family's choice to participate in any such meeting;

(4) A procedure for ensuring that a family service coordination plan meeting is conducted for each child who receives service coordination under the mechanism and for whom an emergency out-of-home placement has been made or for whom a nonemergency out-of-home placement is being considered. The meeting shall be conducted within ten days of an emergency out-of-home placement. The meeting shall be conducted before a nonemergency out-of-home placement. The family service coordination plan shall outline how the county council members will jointly pay for services, where applicable, and provide services in the least restrictive environment.

(5) A procedure for monitoring the progress and tracking the outcomes of each service coordination plan requested in the county including monitoring and tracking children in out-of-home placements to assure continued progress, appropriateness of placement, and continuity of care after discharge from placement with appropriate arrangements for housing, treatment, and education;

(6) A procedure for protecting the confidentiality of all personal family information disclosed during service coordination meetings or contained in the comprehensive family service coordination plan;

(7) A procedure for assessing the needs and strengths of any child or family that has been referred to the council for service coordination, including a child whose parent or custodian is voluntarily seeking services, and for ensuring that parents and custodians are afforded the opportunity to participate;

(8) A procedure for development of a family service coordination plan described in division

(D) of this section;

(9) A local dispute resolution process to serve as the process that must be used first to resolve disputes among the agencies represented on the county council concerning the provision of services to children, including children who are abused, neglected, dependent, unruly, alleged unruly, or delinquent children and under the jurisdiction of the juvenile court and children whose parents or custodians are voluntarily seeking services. The local dispute resolution process shall comply with sections 121.38, 121.381, and 121.382 of the Revised Code. The local dispute resolution process shall be used to resolve disputes between a child's parents or custodians and the county council regarding service coordination. The county council shall inform the parents or custodians of their right to use the dispute resolution process. Parents or custodians shall use existing local agency grievance procedures to address disputes not involving service coordination. The dispute resolution process is in addition to and does not replace other rights or procedures that parents or custodians may have under other sections of the Revised Code.

The cabinet council shall adopt rules in accordance with Chapter 119. of the Revised Code establishing an administrative review process to address problems that arise concerning the operation of a local dispute resolution process.

Nothing in division (C)(4) of this section shall be interpreted as overriding or affecting decisions of a juvenile court or public children services agency regarding an out-of-home placement, long-term placement, or emergency out-of-home placement.

(D) Each county shall develop a family service coordination plan that does all of the following:

(1) Designates service responsibilities among the various state and local agencies that provide services to children and their families, including children who are abused, neglected, dependent, unruly, or delinquent children and under the jurisdiction of the juvenile court and children whose parents or custodians are voluntarily seeking services;

(2) Designates an individual, approved by the family, to track the progress of the family service coordination plan, schedule reviews as necessary, and facilitate the family service coordination plan meeting process;

(3) Ensures that assistance and services to be provided are responsive to the strengths and needs of the family, as well as the family's culture, race, and ethnic group, by allowing the family to offer information and suggestions and participate in decisions. Identified assistance and services shall be provided in the least restrictive environment possible.

(4) Includes a process for dealing with a child who is alleged to be an unruly child. The process shall include methods to divert the child from the juvenile court system;

(5) Includes timelines for completion of goals specified in the plan with regular reviews scheduled to monitor progress toward those goals;

(6) Includes a plan for dealing with short-term crisis situations and safety concerns.

(E)(1) The process provided for under division (D)(4) of this section may include, but is not

limited to, the following:

(a) Designation of the person or agency to conduct the assessment of the child and the child's family as described in division (C)(7) of this section and designation of the instrument or instruments to be used to conduct the assessment;

(b) An emphasis on the personal responsibilities of the child and the parental responsibilities of the parents, guardian, or custodian of the child;

(c) Involvement of local law enforcement agencies and officials.

(2) The method to divert a child from the juvenile court system that must be included in the service coordination process may include, but is not limited to, the following:

(a) The preparation of a complaint under section 2151.27 of the Revised Code alleging that the child is an unruly child and notifying the child and the parents, guardian, or custodian that the complaint has been prepared to encourage the child and the parents, guardian, or custodian to comply with other methods to divert the child from the juvenile court system;

(b) Conducting a meeting with the child, the parents, guardian, or custodian, and other interested parties to determine the appropriate methods to divert the child from the juvenile court system;

(c) A method to provide to the child and the child's family a short-term respite from a short-term crisis situation involving a confrontation between the child and the parents, guardian, or custodian;

(d) A program to provide a mentor to the child or the parents, guardian, or custodian;

(e) A program to provide parenting education to the parents, guardian, or custodian;

(f) An alternative school program for children who are truant from school, repeatedly disruptive in school, or suspended or expelled from school;

(g) Other appropriate measures, including, but not limited to, any alternative methods to divert a child from the juvenile court system that are identified by the Ohio family and children first cabinet council.

(F) Each county may review and revise the service coordination process described in division (D) of this section based on the availability of funds under Title IV-A of the "Social Security Act," 110 Stat. 2113 (1996), 42 U.S.C.A. 601, as amended, or to the extent resources are available from any other federal, state, or local funds.

(G) As used in this section, "early intervention service coordinator" means a person who holds an early intervention service coordinator credential or an early intervention service coordination supervisor credential issued by the department of ~~developmental disabilities children and youth~~ and who assists and enables an infant or toddler with a developmental delay or disability and the child's family to receive the services and rights, including procedural safeguards, required under part C of the "Individuals with Disabilities Education Act of 2004," 20 U.S.C. 1400, as amended.

Sec. 121.93. (A) Except as provided in division (E) of this section, an agency shall review its

operations to identify principles of law or policy that have not been stated in a rule and that the agency is relying upon in conducting adjudications or other determinations of rights and liabilities or in issuing writings and other materials, such as instructions, directives, policy statements, guidelines, handbooks, manuals, advisories, notices, circulars, advertisements, forms, letters, and opinions. An agency is not required to identify principles of law or policy relied upon in issuing internal management rules as defined in section 111.15 of the Revised Code. The agency shall complete at least one of the reviews during a governor's term.

Within six months after the expiration of a governor's term, the agency electronically shall transmit a report to the joint committee on agency rule review containing the following:

- (1) A statement that the agency has completed one or more of the reviews, specifying the exact number of reviews completed during the governor's expired term;
- (2) The principles of law or policies identified under this division;
- (3) The agency's considerations regarding the identified principles of law or policies under division (B) of this section;
- (4) Any principles of law or policies for which the agency determines rulemaking is indicated or for which the agency has commenced the rule-making process under division (C) of this section.

The joint committee on agency rule review shall make the reports available on its web site.

(B) The agency shall determine whether a principle of law or policy thus identified has a general and uniform operation and establishes a legal regulation or standard that would not exist in its absence. If the principle of law or policy has these characteristics, the agency shall determine whether the principle of law or policy should be supplanted by its restatement in a rule to achieve one or more of the following as they are relevant to the principle of law or policy:

- (1) Assert the general and uniform operation of the principle of law or policy;
- (2) Make the principle of law or policy more readily available to the public;
- (3) Make the principle of law or policy more readily available to persons who specifically are affected by the principle of law or policy;
- (4) Enable the principle of law or policy to be better known in advance of its application;
- (5) Enable greater public participation in improvement and further development of the principle of law or policy;
- (6) Enable greater participation by persons specifically affected by the principle of law or policy in the improvement and further development of the principle of law or policy;
- (7) Make the principle of law or policy more easily understandable; or
- (8) Make the principle of law or policy more readily available to those legally charged with monitoring or reviewing the agency's operations.

If a principle of law or policy aids in the interpretation of an existing rule or statute, the agency shall consider whether the aiding effect clarifies or otherwise resolves an uncertainty in the existing rule or statute. If the principle of law or policy can be so characterized, the agency shall

consider whether the principle of law or policy should be supplanted by its restatement in an interpretive rule. The agency may not presume that a principle of law or policy that aids in the interpretation of an existing rule or statute is simply a reiteration of the existing rule or statute.

(C) If the agency determines, in light of the foregoing standards, that rulemaking is indicated, the agency shall commence the rule-making process as soon as it is reasonably feasible to do so, but not later than the date that is six-three months after the determination was made. The principle of law or policy as it is restated in a rule does not need to be wholly congruent with the supplanted principle of law or policy. The agency lawfully may improve or develop further the supplanted principle of law or policy as it is restated in a rule. RMD

RMD The agency may continue to rely upon the principle of law or policy, but only while it is complying with the preceding paragraph. The agency may not rely upon the principle of law or policy in advising with regard to or in determining the rights or liabilities of a person if the any of the following apply:

(1) The agency fails to commence the rule-making process by the deadline specified in the preceding paragraph, or if, after, RMD

(2) After commencing the rule-making process, the agency neglects or abandons the rule-making process before it is completed.

RMD (3) The agency fails to file a rule for which rulemaking is indicated under this section in final form within one year of the agency making a determination under this section.

(4) After filing a proposed rule and rule summary and fiscal analysis with the joint committee, the agency notifies the joint committee of the agency's intention to file a revised proposed rule as described in division (B) of section 106.02 of the Revised Code. RMD

(D) A principle of law or policy that is relied upon directly or by clear implication from a statute applying to the agency does not need to be supplanted by rule.

(E) This section does not apply to an agency, commission, or committee created in the legislative branch of government or to serve the general assembly including, but not limited to, all of the following:

- (1) The joint legislative ethics committee;
- (2) ~~The joint medicare oversight committee;~~
- (3) ~~The correctional institution inspection committee;~~
- (4)(2) The legislative service commission;
- (5)(3) The legislative information services;
- (6)(4) The capitol square review and advisory board.

RMD Sec. 121.931. (A) A person may petition an agency in writing to restate a principle of law or policy in a rule if (1) the person was a party to an adjudication or other determination before an agency that has resulted in an order or other disposition or was a party to a civil action in which judgment has been entered, and (2) the adjudication or other determination, or the civil action, involved a principle of law or policy relied upon by the agency that, under section 121.93 of the

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Date 6/30/25

Mike DeWine

Mike DeWine, Governor

Revised Code, should have been supplanted by its restatement in a rule but has not been so supplanted. The petition shall briefly explain why the principle of law or policy should, under section 121.93 of the Revised Code, be supplanted by its restatement in a rule. The person shall send the petition to the agency not later than the ninetieth day after the order or other disposition was issued or the judgment was entered. The person also shall send a copy of the petition to the joint committee on agency rule review.

(B) The agency, not later than the thirtieth day after receiving a timely petition, shall consider the petition in light of section 121.93 of the Revised Code, and shall notify the petitioner in writing, by certified mail, return receipt requested, whether it grants or intends to deny the petition.

(1) If the agency grants the petition, it shall commence the rule-making process as soon as it is reasonably feasible to do so, but not later than the date that is ~~six~~ three months after the petition was granted. The principle of law or policy as it is restated in a rule does not need to be wholly congruent with the supplanted principle of law or policy. The agency lawfully may improve or develop further the supplanted principle of law or policy.

The agency may continue to rely upon the principle of law or policy, but only while it is complying with the preceding paragraph. The agency may not rely upon the principle of law or policy in advising with regard to or in determining the rights or liabilities of a person if ~~the any of~~ the following apply:

(a) The agency fails to commence the rule-making process by the deadline specified in the preceding paragraph, or if, after,

(b) After commencing the rule-making process, the agency neglects or abandons the rule-making process before it is completed,

(c) The agency fails to file a rule for which rulemaking is required under this section in final form within one year of the agency granting a petition under this division.

(d) After filing a proposed rule and rule summary and fiscal analysis with the joint committee, the agency notifies the joint committee of the agency's intention to file a revised proposed rule as described in division (B) of section 106.02 of the Revised Code.

(2) If the agency intends to deny the petition, it shall send the petitioner a notice affording the petitioner an opportunity for a hearing on the petition and briefly explaining why the agency intends to deny the petition. If the petitioner does not in writing request a hearing within fifteen days after receiving the notice, the agency shall deny the petition and notify the petitioner in writing. If the petitioner responds in writing within the fifteen-day period requesting a hearing, the agency, by certified mail, return receipt requested, promptly shall notify the petitioner of the time and place for the hearing, which shall be not earlier than the thirtieth day after the notice was sent to the petitioner.

(C) At the hearing, the agency shall explain why, notwithstanding section 121.93 of the Revised Code, it intends to deny the petition, and the petitioner shall explain why under that section the petitioner believes the agency's intention to be erroneous. The hearing shall be informal. The petitioner may be assisted by counsel at the hearing.

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Mike DeWine

Mike DeWine Governor

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(D) Not later than the thirtieth day after the hearing concludes, the agency shall grant or deny the petition.

(1) If the agency grants the petition, it shall commence the rule-making process as soon as it is reasonably feasible to do so, but not later than the date that is ~~six~~ three months after the determination was made. The principle of law or policy as it is restated in a rule does not need to be wholly congruent with the supplanted principle of law or policy. The agency lawfully may improve or develop further the supplanted principle of law or policy as it is restated in a rule.

The agency may continue to rely upon the principle of law or policy, but only while it is complying with the preceding paragraph. The agency may not rely upon the principle of law or policy in advising with regard to or in determining the rights or liabilities of a person if ~~the~~ any of the following apply:

(a) The agency fails to commence the rule-making process by the deadline specified in the preceding paragraph, or if, after,

(b) After commencing the rule-making process, the agency neglects or abandons the rule-making process before it is completed.

(c) The agency fails to file a rule for which rulemaking is required under this section in final form within one year of the agency granting a petition under this division.

(d) After filing a proposed rule and rule summary and fiscal analysis with the joint committee, the agency notifies the joint committee of the agency's intention to file a revised proposed rule as described in division (B) of section 106.02 of the Revised Code.

(2) If the petitioner failed to appear at the hearing, or if the petitioner failed to persuade the agency that its intention to deny the petition is erroneous, the agency shall deny the petition.

The agency shall send notice in writing to the petitioner of the outcome. If the outcome is denial of the petition, the notice shall explain briefly why the agency is denying the petition. The petitioner is not entitled to appeal the outcome.

Sec. 121.95. (A) As used in sections 121.95, 121.951, 121.952, 121.953, and 121.954 of the Revised Code, ~~"state;~~

(1) "State agency" means an administrative department created under section 121.02 of the Revised Code, an administrative department head appointed under section 121.03 of the Revised Code, and a state agency organized under an administrative department or administrative department head. "State agency" also includes the department of education and workforce, the state lottery commission, the Ohio casino control commission, the state racing commission, and the public utilities commission of Ohio. Rules adopted by an otherwise independent official or entity organized under a state agency shall be attributed to the agency under which the official or entity is organized for the purposes of sections 121.95, 121.951, 121.952, 121.953, and 121.954 of the Revised Code.

(2) "Regulatory restriction" means any part of a rule that requires or prohibits an action.

(B) Not later than December 31, 2019, a state agency shall review its existing rules to identify rules having one or more regulatory restrictions ~~that require or prohibit an action and~~

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prepare a base inventory of the regulatory restrictions in its existing rules. Rules that include the words "shall," "must," "require," "shall not," "may not," and "prohibit" shall be considered to contain regulatory restrictions.

(C) In the base inventory, the state agency shall indicate all of the following concerning each regulatory restriction:

- (1) A description of the regulatory restriction;
- (2) The rule number of the rule in which the regulatory restriction appears;
- (3) The statute under which the regulatory restriction was adopted;
- (4) Whether state or federal law expressly and specifically requires the agency to adopt the regulatory restriction or the agency adopted the regulatory restriction under the agency's general authority;
- (5) Whether removing the regulatory restriction would require a change to state or federal law, provided that removing a regulatory restriction adopted under a law granting the agency general authority shall be presumed not to require a change to state or federal law;

(6) Any other information the joint committee on agency rule review considers necessary.

(D) The state agency shall compute and state the total number of regulatory restrictions indicated in the base inventory, shall post the base inventory on its web site, and shall electronically transmit a copy of the inventory to the joint committee. The joint committee shall review the base inventory, then transmit it electronically to the speaker of the house of representatives and the president of the senate.

(E) The following types of rules or regulatory restrictions are not required to be included in a state agency's inventory of regulatory restrictions:

- (1) An internal management rule;
- (2) An emergency rule;
- (3) A rule that state or federal law requires the state agency to adopt verbatim;
- (4) A regulatory restriction contained in materials or documents incorporated by reference into a rule pursuant to sections 121.71 to 121.75 of the Revised Code;
- (5) A rule adopted pursuant to section 1347.15 of the Revised Code;
- (6) A rule concerning instant lottery games;
- (7) A rule adopted by the Ohio casino control commission or the state lottery commission concerning sports gaming;
- (8) Any other rule that is not subject to review under Chapter 106. of the Revised Code;
- (9) Any rule that is adopted as a requirement for the state agency to obtain or maintain accreditation or certification from a multistate organization consisting of at least forty-five participating states.

(F) Beginning on October 17, 2019, and ending on June 30, 2025, a state agency may not adopt a new regulatory restriction unless it simultaneously removes two or more other existing regulatory restrictions. The state agency may not satisfy this section by merging two or more

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existing regulatory restrictions into a single surviving regulatory restriction.

Sec. 121.951. (A)(1) Using the criteria listed in division (A) of section 106.03 of the Revised Code, a state agency shall amend or rescind rules identified in its base inventory of regulatory restrictions prepared under section 121.95 of the Revised Code as necessary to reduce the total number of regulatory restrictions by thirty per cent, according to the following schedule:

- (a) A ten per cent reduction not later than June 30, 2023;
- (b) A twenty per cent reduction not later than June 30, 2024; and
- (c) The thirty per cent reduction not later than June 30, 2025.

When a state agency has achieved a reduction of any percentage in regulatory restrictions, whether or not as specified in this section, the state agency may not adopt or maintain regulatory restrictions that would negate the reduction.

(2) Beginning July 1, 2025, a state agency that has not achieved the specified thirty per cent reduction may not adopt a new regulatory restriction unless it simultaneously removes two or more other existing regulatory restrictions, until the specified thirty per cent reduction has been achieved. The state agency may not fulfill this requirement by merging two or more existing regulatory restrictions into a single surviving regulatory restriction. RMD
Removing or replacing "shall," "must," "require," "shall not," "may not," "prohibit," or similar words in a portion of a rule does not remove a regulatory restriction from a rule unless the removal eliminates a requirement or prohibition from the rule.

(3) A state agency that has achieved the specified thirty per cent reduction may not adopt a new regulatory restriction unless it simultaneously removes one or more other existing regulatory restrictions. The state agency may not fulfill this requirement by merging two or more existing regulatory restrictions into a single surviving regulatory restriction.

(4) A state agency is encouraged to continue to reduce regulatory restrictions after it has achieved the specified thirty per cent reduction.

(B)(1) Not later than September 15, 2022, a state agency shall prepare an historical report of its progress in reducing regulatory restrictions over the period of time beginning when the agency prepared its base inventory under section 121.95 of the Revised Code and ending on June 30, 2022. Annually thereafter, a state agency shall prepare an historical report of its progress in reducing regulatory restrictions over the preceding fiscal year. The state agency shall explain in the report how it applied the criteria described in division (A) of section 106.03 of the Revised Code to its determinations as to which regulatory restrictions to amend or rescind. The state agency shall include a revised inventory of regulatory restrictions with the report. RMD

(2) In the revised inventory, in addition to the information required by section 121.95 of the Revised Code, the state agency shall compute the percentage net reduction in regulatory restrictions by subtracting the current number of regulatory restrictions from the number of regulatory restrictions identified in the base inventory and then dividing the resulting number by the number of regulatory restrictions in the base inventory.

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(3) The state agency shall transmit the report electronically to the joint committee on agency rule review. The joint committee shall review the report and shall transmit it electronically to the speaker of the house of representatives and the president of the senate. The state agency shall continue preparing and transmitting annual reports until it has reported that it has achieved the required reduction in regulatory restrictions.

Sec. 121.953. (A) ~~Effective~~ Except as provided in division (C) of this section, effective July 1, 2025, the number of regulatory restrictions in this state shall not exceed a number of regulatory restrictions determined by the joint committee on agency rule review in accordance with this section. The joint committee shall determine that number by calculating, for each agency, the number of regulatory restrictions identified by the agency in the base inventory prepared under section 121.95 of the Revised Code, minus the number of regulatory restrictions that represents the percentage reduction the state agency is required to achieve, and then totaling the resulting numbers for all state agencies. The joint committee shall consider any lessened required reductions under section 121.952 of the Revised Code.

(B) ~~A state agency shall contact the joint committee before submitting a proposed rule containing a regulatory restriction, and the joint committee shall determine whether adopting the regulatory restriction would cause the state to exceed the number of regulatory restrictions permitted under this section.~~ Except as provided in division (C) of this section, a state agency may not adopt a rule if by adopting the rule the state agency would cause the number of regulatory restrictions to exceed the state limit as determined by the joint committee.

(C) Beginning on the effective date of this amendment, a state agency may appear before the joint committee to show cause why the agency should be permitted to adopt a rule that would cause the number of regulatory restrictions to exceed the state limit as determined by the joint committee. If the joint committee determines that the state agency has shown cause, the joint committee may, by a vote of a majority of its members, permit the state agency to adopt the rule notwithstanding the state limit on regulatory restrictions determined by the joint committee. The joint committee shall prepare a report summarizing all the rules it has authorized a state agency to adopt notwithstanding the state limit on regulatory restrictions. The joint committee shall transmit the report electronically to the speaker of the house of representatives and the president of the senate not later than the thirty-first day of December of each year.

Sec. 122.09. (A) As used in this section:

(1) "Development costs" means all expenditures paid or incurred by the property owner in completing a certified transformational mixed use development project including acquisition costs and all costs incurred before the project is certified by the director of development.

(2) "Eligible expenditures" means certain expenditures paid or incurred by the property owner in completing a certified transformational mixed use development project after the project is certified by the director of development, including architectural or engineering fees, due diligence costs, hard and soft construction costs, paid or incurred in connection with the project and expenses

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~~incurred and architectural and engineering fees and due diligence costs incurred before the date the project is certified by the tax credit authority director of development under division (C) of this section. In the case of a certified transformational mixed use development project that is part of a larger contiguous project that is planned to be completed in phases, "development costs" include only expenditures associated with the portion of the project that is certified by the tax credit authority and do not include expenditures incurred for other phases of the project.~~

(2)(3) "Owner" "Property owner" means a person or persons holding a fee simple or leasehold interest in real property, including interests in real property acquired through a capital lease arrangement, and a person or persons in contract to acquire real property with the only remaining contractual contingency being receipt of an award under this section. "Owner" does not include the state or a state agency, or any political subdivision as defined in section 9.23 of the Revised Code. For the purpose of this division, "fee simple interest," "leasehold interest," and "capital lease" shall be construed in accordance with generally accepted accounting principles.

(3)(4) "Transformational mixed use development" means a project that consists of eligible expenditures for new construction or the redevelopment, rehabilitation, expansion, or other improvement of vacant buildings or structures, or a combination of the foregoing, and that, inclusively:

(a) Will have a transformational economic impact on the ~~development project site and the surrounding area;~~

(b) Integrates ~~some combination of retail, office, residential, recreation, structured parking, and other similar uses into one mixed use development; and~~ at least two of the following uses into one mixed use development:

(i) Office;

(ii) Residential;

(iii) Retail, which may include restaurant space;

(iv) Hotel and hospitality;

(v) Recreation.

(c) Satisfies one of the following criteria:

(i) If the ~~development project~~ site is located within ten miles of a major city, the project includes at least one new or previously vacant building that is fifteen or more stories in height or has a floor area of at least three hundred fifty thousand square feet, or after completion will be the site of employment accounting for at least ~~four~~ five million dollars in annual payroll, or includes two or more buildings that are connected to each other, are located on the same parcel or on contiguous parcels, and that collectively have a floor area of at least three hundred fifty thousand square feet;

(ii) If the ~~development project~~ site is not located within ten miles of a major city, the project includes at least one new or previously vacant building that is two or more stories in height or has a floor area of at least seventy-five thousand square feet or two or more new buildings that are located on the same parcel or on contiguous parcels and that collectively have a floor area of at least

seventy-five thousand square feet.

A "transformational mixed use development" does not include a project located wholly or partially in a transformational major sports facility mixed-use project district as defined in section 123.28 of the Revised Code.

~~"Transformational mixed use development" may include a portion of a larger contiguous project that is planned to be completed in phases as long as the phases collectively meet the criteria described in division (A)(3) of this section.~~

(4)(5) "Increase in tax collections" means the difference, if positive, of the amount of state and local taxes estimated to be derived from economic activity occurring within the development project site and the surrounding area, but excluding any other phases of the development project for developments completed in phases, during ~~a the completion period of time~~ minus the amount of such taxes that are estimated to be derived from such economic activity in that site ~~and surrounding area~~ during the same period if the transformational mixed use development project were not certified by the director of development and completed.

(5)(6) "Completion period" means the time period beginning on the day after a transformational mixed use development project is certified by the ~~tax credit authority~~ director of development and ending on the fifth anniversary of the day the project is completed.

(6) ~~"Insurance company" means a person subject to the tax imposed under section 5725.18 or 5729.03 of the Revised Code.~~

(7) "Contribute capital" means to invest, loan, or donate cash in exchange for an equity interest in an asset, or a debt instrument, ~~or no consideration.~~

(8) "Major city" means a municipal corporation that has a population greater than one hundred thousand.

(9) ~~"Tax credit authority" means the tax credit authority created under section 122.17 of the Revised Code.~~

(10) ~~"Adjusted development costs" means the development costs attributed to a complete transformational mixed use development project minus the sum of the capital contributions of any insurance companies that are preliminarily approved for a tax credit in connection with the same project.~~

(11) ~~A "property owner's share" of the increase in tax collections equals the product obtained by multiplying the total increase in tax collections since the date the transformational mixed use development project was certified by a fraction, the numerator of which is the adjusted development costs and the denominator of which is the actual development costs attributed to the project.~~

(12) ~~An "insurance company's share" of the increase in tax collections equals the product obtained by multiplying the total increase in tax collections since the date the transformational mixed use development project was certified by a fraction, the numerator of which is the insurance company's capital contribution to the project and the denominator of which is the actual development costs attributed to the project.~~ "Project site" means the land, and improvements thereon,

upon which a transformational mixed use development will be constructed, which consists of a single parcel or multiple parcels that are contiguous with one another, including parcels separated only by a publicly dedicated road.

(B) The property owner of one or more parcels of land in this state within which a transformational mixed use development project is planned ~~or an insurance company that contributes capital to be used in the planning or construction of such a development~~ may apply to the tax credit authority director of development for certification of the development project and preliminary approval of a tax credit in an amount up to ten per cent of the estimated eligible expenditures. Each application shall be filed in the form and manner prescribed by the director of development and shall, at minimum, include a development plan comprised of all of the following information:

(1) The location of the ~~development project~~ site and an indication of whether it is located within ten miles of a major city;

(2) A detailed description of the proposed transformational mixed use development project including site plans, elevations, construction drawings, architectural renderings, or other means sufficient to convey the appearance, size, purposes, capacity, and scope of the project ~~and, if applicable, previously completed and future phases of the project;~~

(3) A viable ~~financial plan~~ project budget supported by construction hard cost estimates, organized by line item, that estimates the development costs development costs and eligible expenditures that have been or will be incurred in the completion of the project ~~and that designates a source of financing or a strategy for obtaining financing;~~

(4) A viable financial plan showing both (a) at least fifty-one per cent of the needed funding secured, as evidenced by commitment letters, letters of intent, or terms sheets and third party equity verification, and (b) a strategy for obtaining any needed but not yet secured funding;

(5) An estimated schedule for the progression and completion of the project ~~including, if applicable, previously completed and future phases of the project;~~

~~(5)~~(6) An assessment of the projected newly created economic impact of and from the project ~~on~~ based upon the projected increase in tax collections during the completion period at the development project site and the surrounding area, excluding economic activity existing at the time of or before certification of the development project and preliminary approval of a tax credit, prepared by an economic impact consultant with experience performing economic impact studies in Ohio and reviewed by an independent third party reviewer retained by the director of development to ensure accuracy, uniformity, consistency, and fairness;

~~(6)~~(7) Evidence that the increase in tax collections during the completion period will exceed ten per cent of the estimated ~~development costs~~ eligible expenditures reported under division (B)(3) of this section;

~~(7) If the~~(8) The portion of any tax credit issued that the applicant ~~is~~ would like issued to the property owner or to an insurance company that is not the property owner, the amount of the insurance company's, financial institution, or other person based upon capital contribution

contributions that have been made or will be made to the development and the date on which it was or will be made project;

(8)(9) Evidence that the project will not be completed unless the applicant receives the credit, but for the applicant's receipt of the credit, the project will not be completed. If any portion of the project the applicant seeks certification and preliminary approval for has commenced construction, excluding brownfield remediation and demolition, or the project has closed on construction financing, this division's standard is not met and the project is not eligible for certification and preliminary approval.

(C)(1) In determining whether to certify a project that is the subject of an application submitted under division (B) of this section, the tax credit authority director of development shall consider the potential impact of the transformational mixed use development on the development project site and the surrounding area in terms of architecture, accessibility to pedestrians, retail entertainment and dining sales, job creation, property values, connectivity, and revenue from sales, income, lodging, and property taxes. The tax credit authority director shall not certify a project unless it satisfies the following conditions:

(a) The project qualifies as a transformational mixed use development project and satisfies all other criteria prescribed by this section or by rule of the director of development;

(b) The estimated increase in tax collections from the project site during the completion period exceeds ten per cent of the estimated development costs-eligible expenditures for the project reported under division (B)(3) of this section;

(c) The applicant will not be able to (i) close on construction financing, (ii) commence construction, excluding any brownfield remediation or demolition that may have already been performed, and (iii) complete the project will not be completed unless the applicant receives the credit;

(d) If the development project site is located within ten miles of a major city, the estimated development costs-eligible expenditures to complete the project plus, if applicable, the estimated expenditures that have been or will be incurred to complete all other contiguous phases of the project, exceed fifty million dollars.

In making its a determination of whether or not to approve an application, the tax credit authority director may conduct an interview of the applicant.

(2) If the tax credit authority director of development approves an application, the authority director shall issue a statement certifying the associated transformational mixed use development project and preliminarily approving a tax credit. The statement shall stipulate that receipt-issuance of a tax credit certificate is contingent upon completion of the transformational mixed use development project as described in the development plan for the project. The statement shall specify the estimated amount of the tax credit preliminarily approved and the amount of credit preliminarily approved for each person identified in the application pursuant to division (B)(8) of this section, but state that the amount of the credit is dependent upon determination of the actual development

~~costs~~eligible expenditures attributed to the project ~~and, unless the tax credit authority grants a request by the property owner under division (F) of this section, of the increase in tax collections during the completion period.~~

The amount of the credit shall not exceed the amount applied for in the application approved by the director.

(3) ~~Except as otherwise provided in this division, if the applicant is an insurance company that is not the property owner, the estimated amount of the tax credit shall equal ten per cent of the insurance company's capital contribution to the project as reported in the development plan pursuant to division (B)(7) of this section. Except as otherwise provided in this division, if the applicant is the property owner, the~~ The total estimated amount of the tax credit shall equal up to ten per cent of the estimated ~~development costs~~ eligible expenditures for the project as reported in the project development plan pursuant to division (B)(3)(B) of this section ~~minus any estimated credit amounts that have been preliminarily approved for insurance companies contributing capital to the project.~~ The estimated credit amounts may be reduced by the ~~tax credit authority~~ director of development as a condition of certifying the project if such a reduction is necessary to comply with the limitations on the amount of credits that may be preliminarily approved as prescribed by division (C)(5) of this section. The estimated credit amounts shall not be adjusted after the statement described in division (C)(2) of this section has been issued, except as provided by division (G) of this section.

(4) If the ~~tax credit authority~~ director of development denies an application, the ~~authority~~ director shall notify the applicant of the reason or reasons for such determination. The ~~authority's~~ director's determination is final, but an applicant may revise and resubmit a previously denied application in a future year.

(5)(a) ~~The tax credit authority shall not certify any transformational mixed-use development projects after June 30, 2025.~~

(b) ~~The tax credit authority~~ director of development may not preliminarily approve more than one hundred twenty-five million dollars of new estimated tax credits in each of fiscal years 2022, 2023, 2024, and 2025 ~~2026 and 2027.~~ The director shall not preliminarily approve any dollar amount of new estimated tax credits under this section in any fiscal year after fiscal year 2027 unless specifically authorized by an act of the general assembly.

Tax credits preliminarily approved under this section in preceding fiscal years and for which preliminary approval was rescinded in the fiscal year immediately preceding the current fiscal year shall be available for preliminary approval under this section in the current fiscal year. Credit amounts available due to such rescission do not apply towards the one hundred twenty-five million dollar limit prescribed in this division.

(e) ~~Not (b)~~ Except as provided in division (C)(6) of this section, not more than eighty-eighty-five million dollars of estimated new tax credits in each such, plus an amount equal to two-thirds of any credits for which preliminary approval was rescinded in the preceding fiscal year, may be preliminarily approved in connection with projects that are located within ten miles of a major city

in the current fiscal year.

~~(d)(c)~~ Not more than ~~forty-two~~ million dollars of estimated tax credits may be preliminarily approved in connection with the same transformational mixed use development project.

(6) If, for the current fiscal year, the dollar amount of tax credits applied for under division (B) of this section in connection with projects that are not located within ten miles of a major city exceeds ~~eighty-four~~ million dollars for a fiscal year, plus an amount equal to one-third of any credits for which preliminary approval was rescinded in the preceding fiscal year, the tax credit authority director of development shall rank those applications and certify and preliminarily approve tax credits for the associated projects in order, starting with the project that presents the best combination of economic value and transformational impact pursuant to division (C)(7) of this section. If the dollar amount of tax credits applied for under division (B) of this section in connection with such projects is less than that amount, the difference shall be available for projects within ten miles of a major city.

If, for the current fiscal year, the dollar amount of tax credits applied for in connection with projects not located within ten miles of a major city exceeds ~~twenty million dollars for a fiscal year~~ eighty-five million dollars, plus an amount equal to two-thirds of any credits for which preliminary approval was rescinded in the previous fiscal year and the amount of funds initially reserved for projects more than ten miles from a major city but unawarded to such projects, the tax credit authority director shall rank those applications and certify the associated projects in order, starting with the project that presents the best combination of economic value and transformational impact pursuant to division (C)(7) of this section. In either case, the authority shall consider the following factors in ranking the applications:

(a) The projected increase in tax collections during the completion period as a percentage of the total amount of estimated tax credits that would be preliminarily approved in connection with the project;

(b) The economic impact of the project on the development site and the surrounding area and the impact of the project in terms of architecture, accessibility to pedestrians, retail entertainment and dining sales, job creation, property values, and connectivity;

(c) The expeditiousness of the schedule for completing the project, realizing the increase in tax collections, and attaining the economic and other impacts on the development site and the surrounding area.

(7) When ranking is required under division (C)(6) of this section, the director of development shall compare applicant projects that are within ten miles of a major city to other applicant projects that are within ten miles of a major city, and the director shall compare applicant projects that are more than ten miles outside of a major city with other applicant projects that are more than ten miles outside of a major city. The director shall apply a point value to applications according to the following criteria:

(a) Up to ten points based on comparative measurement of physical scope of the projects as measured by gross square footage of vertical improvements including new construction and renovated space. The largest project in terms of physical scope shall receive ten points and the remaining projects shall receive points based on a percentage basis in proportion to each project's relative size as compared to the largest project in that location category, by gross square footage;

(b) Up to five points based on a comparative measurement of the density of the new project as measured by a building to land ratio using the gross square footage of new construction and renovated space and the gross land square footage of the project parcels excluding submerged land. The highest ratio in terms of building to land ratio shall receive five points and the remaining projects shall receive points based on a percentage basis in proportion to each project's relative ratio as compared to the highest project ratio;

(c) Up to ten points based on an evaluation of the distribution of project end uses, with preference given to projects with greater variety and distribution of uses;

(d) Up to fourteen points based on the project's receipt of necessary government approvals and local support, available as follows:

(i) Two points for zoning approval or evidence, in the form of a letter from the governmental body with jurisdiction over the zoning of the project site, that the project site already has the necessary zoning for the project;

(ii) Two points for planning commission approval or evidence that planning commission approval is not required;

(iii) Two points available for existing utility connections or commitments to establish utility connections including water, sewer, sanitary storm, and electric documented by utility service letters;

(iv) Two points for an approved and executed development agreement with each municipal corporation or township in which the development project is proposed;

(v) Two points for approved construction drawings and issuance of construction permits for the entirety of the scope of work set forth in the application;

(vi) Up to two points available for letters in support of the project and the application. One point is available for a letter in support of the project and the application from the mayor, city manager, or other chief executive of each municipal corporation or township, and one point is available for a letter in support of the project and the application from the chief executive of each county, where the development project is to be located;

(vii) Two points available for documented financial support for the project from each municipal corporation or township in which the project is located, which may include tax increment financing or creation of a community reinvestment area under section 3735.66 of the Revised Code.

(e) Up to ten points based on the committed funding sources as a percentage of total development costs. A project that has funding commitments for all projected development costs shall receive ten points, and projects with funding commitments for less than all projected

development costs shall receive a number of points based on the relative amount of committed funding compared to total development costs of the given project.

The funding commitments may take into account the monetized value of the certificate applied for under this section so long as the applicant provides a letter of intent or commitment to purchase that certificate if issued. Letters of intent or loan commitments are required to earn points for any financing that is a funding source in this category and any such letter of intent or loan commitment may be subject to the receipt of an award under this section.

(f) Up to five points based on purchase or lease commitments from end users for the space created by the project. Projects that have received commitments for all space shall receive five points, and projects with less than all end users committed shall be allocated points based on the relative square footage of committed space compared to total project square footage.

(g) Up to ten points for projects in areas of higher relative walkability as measured by the United States environmental protection agency's walkability index for the project's census tract with projects in areas designated as the highest level of walkability receiving ten points and projects in areas with lower levels of walkability receiving proportional points;

(h) Up to five points based on a comparative measurement of total retail, entertainment, and dining sales to be generated by the project. Projects generating the largest return on investment shall receive five points, and the remaining projects shall be allocated points based on relative return on investment in comparison to the highest scoring project in this category.

(i) Up to five points based on a comparative measurement of the total new payroll to be generated by the project. Projects generating the largest return on investment shall receive five points, and remaining projects shall be allocated points based on relative return on investment in comparison to the highest scoring project in this category.

(j) Up to twenty points based on a comparative measurement of the total sales, income, lodging, and property taxes to be generated by the project. Projects generating the largest return on investment shall receive twenty points, and remaining projects shall be allocated points based on relative return on investment in comparison to the highest scoring project in this category.

(k) Up to six points for community impacts, available as follows:

(i) Two points for evidence that the project supports the vision and goals stated in the local master plan or other economic development strategy adopted by the local jurisdiction.

(ii) Two points for the projects that provide community gathering, event, park, or other similar space open to the public. Projects that incorporate public space that accounts for ten per cent or more public space relative to the total square footage of all project end uses will receive two points. Projects that incorporate public space that accounts for less than ten per cent but greater than zero per cent public space relative to the total square footage of all project end uses will receive one point.

(iii) Two points for projects that include remediation of a brownfield or the rehabilitation of a building or structure that is one hundred per cent vacant for the twelve months immediately

preceding the date of application. As used in this division "brownfield" has the same meaning as in section 122.6511 of the Revised Code.

(8) When calculating the economic impact of a project previously completed and future phases of a phased development are not permitted to be included in the economic impact analysis or scoring.

(D) Within twelve months of the date a project is certified, the property owner shall provide the ~~tax credit authority director of development~~ with an updated schedule for the progression and completion of the project and documentation sufficient to demonstrate that construction of the project has begun. If the property owner does not provide the schedule and documentation or if construction of the project has not begun within the time prescribed by this division, the ~~tax credit authority director~~ shall rescind certification of the project and send notice of the rescission to the property owner ~~and each insurance company that is preliminarily approved for a tax credit in connection with the project.~~ A property owner that receives notice of rescission may submit a new application concerning the same project under division (B) of this section.

(E) An applicant that ~~is the property owner and~~ is preliminarily approved for a tax credit under this section may sell or transfer the rights to all or a portion of that credit to one or more persons for the purpose of raising capital for the certified project. The applicant shall notify the tax credit authority upon selling or transferring the rights to the credit. The notice shall identify the person or persons to which the credit was sold or transferred and the credit amount sold or transferred to each such person. ~~Only an applicant that owns the property may sell or transfer a credit under this division. A credit may be divided among multiple purchasers through more than one transaction but once a particular credit amount is acquired by a person other than the applicant it may not be sold or transferred again and any person to whom the right to claim all or a portion of a credit was transferred may transfer that right, in whole or in part, to another person.~~ RMD

(F) ~~After a transformational mixed use development project is certified and before it is completed, the property owner may request that the value of the tax credit certificates awarded in connection with the project be computed using the alternative method described in division (I) of this section. The tax credit authority shall grant the request if the authority determines, and a third party engaged by the authority at the expense of the property owner affirms, that it is reasonably certain that the increase in tax collections will exceed ten per cent of the estimated development costs within one year after the project is completed. Otherwise, the authority shall deny the request and the amount of each credit awarded in connection with the project shall be computed under division (H) of this section. The authority's determination under this division shall be delivered in writing and is final and not appealable.~~

~~(G)(1)~~ (F)(1) The property owner shall notify the ~~tax credit authority director of development~~ upon completion of a certified transformational mixed use development project. The notification shall include a report prepared by a third-party certified public accountant that contains a detailed accounting of the actual development costs and eligible expenditures attributed to the project.

The above boxed and initialed text was disapproved.

Date: 6/30/25

Mike DeWine

(2) Upon receiving such a notice, ~~unless the tax credit authority has previously granted a request by the property owner under division (F) of this section, the authority shall determine the increase in tax collections since the date the project was certified by consulting with the tax commissioner and with the tax administrator of any municipal corporation that levies an income tax within the project site and the surrounding area. The tax commissioner and the tax administrators that are consulted pursuant to this division shall provide the tax credit authority with any information that is necessary to determine the increase in tax collections.~~

(3) ~~After determining the increase in tax collections under division (G)(2) of this section, if required, and computing the value of the tax credit under division (H) or (I) of this section, as applicable, the tax credit authority~~ director of development ~~shall issue a tax credit certificate to each applicant, or other person identified in the application pursuant to division (B)(8) of this section, that is preliminarily approved for a credit associated with the project or to the person or persons to which such an applicant sold or transferred the rights to the credit under division (E) of this section. If the amount of the tax credit awarded to the property owner is less than the credit amount estimated under division (C) of this section and the property owner sold or transferred the rights to the credit, the tax credit authority shall reduce the amount of each tax credit certificate issued to each purchaser or recipient on a pro rata basis unless the property owner requests an alternative allocation of the credit.~~

(H)(1) ~~Unless the tax credit authority granted a request by the property owner under division (F) of this section, the aggregate value of the tax credit certificates issued under division (G) of this section to the property owner and to any persons to whom the property owner sold or transferred the rights to the credit shall equal the lesser of the following:~~

- (a) ~~Ten per cent of the adjusted development costs;~~
- (b) ~~Five per cent of the adjusted development costs plus any amount by which the property owner's share of the increase in tax collections since the date the project was certified exceeds five per cent of the adjusted development costs;~~

(c) ~~The estimated credit amount specified in the tax credit authority's statement certifying the project and preliminarily approving the tax credit under division (C) of this section.~~

(2) ~~The value of a tax credit certificate issued under division (G) of this section to an insurance company that contributed capital to the project shall equal the lesser of the following:~~

- (a) ~~Ten per cent of the insurance company's actual capital contribution;~~
- (b) ~~Five per cent of such capital contribution plus any amount by which the insurance company's share of the increase in tax collections since the date the project was certified exceeds five per cent of the insurance company's capital contribution;~~

(c) ~~The estimated credit amount specified in the tax credit authority's statement certifying the project and preliminarily approving the tax credit under division (C) of this section.~~

(I) ~~If the tax credit authority granted a request by the property owner under division (F) of this section, the~~ (G) ~~The~~ value of the tax credit certificates issued in connection with the

transformational mixed use development project shall be computed as follows:-

~~(1) For the property owner or any person to which the property owner sold or transferred the rights to the credit, the lesser of the amount preliminarily approved for the tax credit or ten per cent of the actual development costs eligible expenditures attributed to the project. If the amount of the credit is less than the credit amount estimated under division (C) of this section and the property owner sold or transferred the rights to the credit to more than one person, the authority shall reduce the amount of each tax credit certificate on a pro rata basis unless the property owner requests an alternative allocation of the credit.~~

~~(2) For an insurance company that contributed capital to the project, ten per cent of the insurance company's actual capital contribution.~~

~~(J) If the value of a tax credit certificate was computed under division (H) of this section for a project, the property owner, on or before the thirtieth day following the first, second, third, fourth, and fifth anniversaries of the date the certified transformational mixed use development project is completed, may request in writing that the tax credit authority update the increase in tax collections during the completion period. Upon receiving such a request, the tax credit authority shall update the increase in tax collections in the same manner described by division (G) of this section. If the tax credit authority determines that the value of the tax credit certificates computed under division (H) of this section would be greater if computed based on the updated increase in tax collections, the authority shall issue an additional tax credit certificate to each person that previously received a certificate for the project under those divisions. The value of each additional tax credit certificate shall equal the amount by which the tax credit certificate computed under division (H) of this section upon completion of the project would have been greater had the value of such certificate been computed based on the updated increase in tax collections, less the value of any additional tax credit certificates previously issued under this division to the same person respecting the same project.~~

~~(K)(H) The aggregate value of all tax credit certificates issued under this section for the same transformational mixed use development project shall not exceed (1) ten per cent of the actual development costs eligible expenditures of that project or (2) the sum of all estimated credit amounts amount preliminarily approved by the tax credit authority director of development in connection with the project.~~

~~(L)(I) Issuance of a tax credit certificate under this section does not represent a verification or certification by the tax credit authority director of development of the actual development costs eligible expenditures of the project or the capital contributions to the project by an insurance company. Such amounts are subject to inspection and examination by the superintendent of insurance other state agencies.~~

~~(M)(J) Upon the issuance of a tax credit certificate under division (G) or (J) of this section, the tax credit authority director of development shall certify to the superintendent of insurance and the tax commissioner (1) the name of each person that was issued a tax credit certificate, (2) whether the person is the property owner, an insurance company that contributed capital to the development,~~

The above boxed and initialed text was
disapproved.

JUN 30, 2025
Date: _____

Mike DeWine

or a person that acquired the rights to the tax credit certificate from the property owner, (3) the credit amount shown on each tax credit certificate, and (4)(3) any other information required by the rules adopted under this section. A person that holds the rights to a tax credit certificate issued under this section and that is an insurance company may claim a tax credit under section 5725.35 or, 5726.62, 5729.18, or 5747.87 of the Revised Code, subject to any limitations in those sections.

(N)(K) The tax credit authority director of development shall publish information about each transformational mixed use development on the web site of the department of development not later than the first day of August following certification of the project. The tax credit authority director shall update the published information annually until the project is complete and the credit or credits are fully claimed. The published information shall include all of the following:

(1) The location of the transformational mixed use development and the name by which it is known;

(2) The estimated schedule for progression and completion of the project included in the development plan pursuant to division (B)(4) of this section;

(3) The assessment of the projected economic impact of the project included in the development plan pursuant to division (B)(5) of this section;

(4) The evidence supporting the estimated increase in tax collections included in the development plan pursuant to division (B)(6) of this section, except that the tax credit authority director may omit any proprietary or sensitive information included in such evidence;

(5) The estimated development costs eligible expenditures that have been or will be incurred in completion of the project and, if applicable, the amount of the insurance company's capital contribution to the development and the date on which it was made, as reported in the development plan pursuant to divisions (B)(3) and (7) of this section;

(6) A copy of each report submitted to the tax credit authority director of development by the applicant under division (D) of this section.

(O)(L) The director of development, in accordance with Chapter 119. of the Revised Code, shall adopt rules that establish all of the following:

(1) Forms and procedures by which applicants may apply for a transformational investment mixed use development tax credit, and any deadlines for applying;

(2) Criteria and procedures for reviewing, evaluating, ranking, and approving applications within the limitations prescribed by this section, including rules prescribing the timing and frequency by which the tax credit authority director of development must rank applications and preliminarily approve tax credits under division (C) of this section;

(3) Eligibility requirements for obtaining a tax credit certificate under this section;

(4) The form of the tax credit certificate;

(5) Reporting requirements and monitoring procedures;

(6) Procedures for computing the increase in tax collections within the project site and the surrounding area;

The above boxed and initialed text was disapproved.

JUN 30, 2025
Date: _____

Mike DeWine

~~(7) Forms and procedures by which property owners may request the alternative method of computing the value of tax credit certificates under division (I) of this section that are awarded in connection with a project and criteria for evaluating and making a determination on such requests;~~

~~(8) Any other rules necessary to implement and administer this section.~~

Sec. 122.14. (A) As used in this section, "professional sports facility" has the same meaning as in section 5516.01 of the Revised Code.

~~(B)~~ There is hereby created in the state treasury the roadwork development fund. The fund shall consist of the investment earnings of the security deposit fund created by section 4509.27 of the Revised Code and revenue transferred to it by the director of budget and management from the highway operating fund created in section 5735.051 of the Revised Code. The fund shall be used by the department of development services agency in accordance with Section 5a of Article XII, Ohio Constitution, to make road improvements associated with retaining or attracting business for this state, including both of the following:

(1) Construction, reconstruction, maintenance, or repair of public roads that provide access to a public airport or are located within a public airport;

(2) Construction, reconstruction, maintenance, or repair of public roads and the associated improvements that provide or improve access to tourism attractions or professional sports facilities.

~~(B)(C)~~ Tourism attractions or professional sports facilities may use funds received from the department of development, in accordance with this section, to make improvements associated with the retail and residential components of the total development of which they are a part.

~~(D)~~ All investment earnings of the fund shall be credited to the fund.

Sec. 122.175. (A) As used in this section:

(1) "Capital investment project" means a plan of investment at a project site for the acquisition, construction, renovation, expansion, replacement, or repair of a computer data center or of computer data center equipment, but does not include any of the following:

(a) Project costs paid before a date determined by the tax credit authority for each capital investment project;

(b) Payments made to a related member as defined in section 5733.042 of the Revised Code or to a consolidated elected taxpayer or a combined taxpayer as defined in section 5751.01 of the Revised Code.

(2) "Computer data center" means a facility used or to be used primarily to house computer data center equipment used or to be used in conducting 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 that section.

(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, 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 Chapters 5739. and 5741. of the Revised Code.

(B) The tax credit authority may completely or partially exempt from the taxes levied under Chapters 5739. and 5741. of the Revised Code the sale, storage, use, or other consumption of computer data center equipment used or to be used at an eligible computer data center. Any such exemption shall extend to charges for the delivery, installation, or repair of the computer data center equipment subject to the exemption under this section.

(C) A taxpayer that proposes a capital improvement project for an eligible computer data center in this state may apply to the tax credit authority to enter into an agreement under this section authorizing a complete or partial exemption from the taxes imposed under Chapters 5739. and 5741. of the Revised Code on computer data center equipment purchased by the applicant or any other taxpayer that operates a computer data center business at the project site and used or to be used at the eligible computer data center. The director of development ~~services~~ shall prescribe the form of the application. After receipt of an application, the authority shall forward copies of the application

to ~~the director of budget and management and the tax commissioner, each of whom who~~ shall review the application to determine the economic impact that the proposed eligible computer data center would have on the state and any affected political subdivisions and submit to the authority a summary of their determinations. The authority shall also forward a copy of the application to the director of development ~~services who~~ shall review the application to determine the economic impact that the proposed eligible computer data center would have on the state and the affected political subdivisions and shall submit a summary of their determinations and recommendations to the authority.

(D) Upon review and consideration of such determinations and recommendations, the tax credit authority , before October 1, 2025, may enter into an agreement with the applicant and any other taxpayer that operates a computer data center business at the project site for a complete or partial exemption from the taxes imposed under Chapters 5739. and 5741. of the Revised Code on computer data center equipment used or to be used at an eligible computer data center if the authority determines all of the following:

(1) The capital investment project for the eligible computer data center will increase payroll and the amount of income taxes to be withheld from employee compensation pursuant to section 5747.06 of the Revised Code. pmb

(2) The applicant is economically sound and has the ability to complete or effect the completion of the proposed capital investment project.

(3) The applicant intends to and has the ability to maintain operations at the project site for the term of the agreement.

(4) Receiving the exemption is a major factor in the applicant's decision to begin, continue with, or complete the capital investment project.

(E) An agreement entered into under this section shall include all of the following:

(1) A detailed description of the capital investment project that is the subject of the agreement, including the amount of the investment, the period over which the investment has been or is being made, the annual compensation to be paid by each taxpayer subject to the agreement to its employees at the project site, and the anticipated amount of income taxes to be withheld from employee compensation pursuant to section 5747.06 of the Revised Code.

(2) The percentage of the exemption from the taxes imposed under Chapters 5739. and 5741. of the Revised Code for the computer data center equipment used or to be used at the eligible computer data center, the length of time the computer data center equipment will be exempted, and the first date on which the exemption applies.

(3) A requirement that the computer data center remain an eligible computer data center during the term of the agreement and that the applicant maintain operations at the eligible computer data center during that term. An applicant does not violate the requirement described in division (E) (3) of this section if the applicant ceases operations at the eligible computer data center during the term of the agreement but resumes those operations within eighteen months after the date of

The above boxed and initialed text was disapproved.

Date: June 30, 2025

Mit Dewar

cessation. The agreement shall provide that, in such a case, the applicant and any other taxpayer that operates a computer data center business at the project site shall not claim the tax exemption authorized in the agreement for any purchase of computer data center equipment made during the period in which the applicant did not maintain operations at the eligible computer data center.

(4) A requirement that, for each year of the term of the agreement beginning on or after the first day of the twenty-fifth month after the date the agreement was entered into, 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 at the eligible computer data center.

(5) A requirement that each taxpayer subject to the agreement annually report to the director of development ~~services~~—employment, tax withholding, capital investment, and other information required by the director to perform the director's duties under this section.

(6) A requirement that the director of development ~~services~~—annually review the annual reports of each taxpayer subject to the agreement to verify the information reported under division (E)(5) of this section and compliance with the agreement. Upon verification, the director shall issue a certificate to each such taxpayer stating that the information has been verified and that the taxpayer remains eligible for the exemption specified in the agreement.

(7) A provision providing that the taxpayers subject to the agreement may not relocate a substantial number of employment positions from elsewhere in this state to the project site unless the director of development ~~services~~—determines that the appropriate taxpayer notified the legislative authority of the county, township, or municipal corporation from which the employment positions would be relocated. For purposes of this paragraph, the movement of an employment position from one political subdivision to another political subdivision shall be considered a relocation of an employment position unless the movement is confined to the project site. The transfer of an employment position from one political subdivision to another political subdivision shall not be considered a relocation of an employment position if the employment position in the first political subdivision is replaced by another employment position.

(8) A waiver by each taxpayer subject to the agreement of any limitations periods relating to assessments or adjustments resulting from the taxpayer's failure to comply with the agreement.

(F) The term of an agreement under this section shall be determined by the tax credit authority, and the amount of the exemption shall not exceed one hundred per cent of such taxes that would otherwise be owed in respect to the exempted computer data center equipment.

(G) If any taxpayer subject to an agreement under this section fails to meet or comply with any condition or requirement set forth in the agreement, the tax credit authority may amend the agreement to reduce the percentage of the exemption or term during which the exemption applies to the computer data center equipment used or to be used by the noncompliant taxpayer at an eligible computer data center. The reduction of the percentage or term may take effect in the current calendar

year.

(H) Financial statements and other information submitted to the department of development ~~services~~—or the tax credit authority by an applicant for or recipient of an exemption under this section, and any information taken for any purpose from such statements or information, are not public records subject to section 149.43 of the Revised Code. However, the chairperson of the authority may make use of the statements and other information for purposes of issuing public reports or in connection with court proceedings concerning tax exemption agreements under this section. Upon the request of the tax commissioner, the chairperson of the authority shall provide to the tax commissioner any statement or other information submitted by an applicant for or recipient of an exemption under this section. The tax commissioner shall preserve the confidentiality of the statement or other information.

(I) The tax commissioner shall issue a direct payment permit under section 5739.031 of the Revised Code to each taxpayer subject to an agreement under this section. Such direct payment permit shall authorize the taxpayer to pay any sales and use taxes due on purchases of computer data center equipment used or to be used in an eligible computer data center and to pay any sales and use taxes due on purchases of tangible personal property or taxable services other than computer data center equipment used or to be used in an eligible computer data center directly to the tax commissioner. Each such taxpayer shall pay pursuant to such direct payment permit all sales tax levied on such purchases under sections 5739.02, 5739.021, 5739.023, and 5739.026 of the Revised Code and all use tax levied on such purchases under sections 5741.02, 5741.021, 5741.022, and 5741.023 of the Revised Code, consistent with the terms of the agreement entered into under this section.

During the term of an agreement under this section each taxpayer subject to the agreement shall submit to the tax commissioner a return that shows the amount of computer data center equipment purchased for use at the eligible computer data center, the amount of tangible personal property and taxable services other than computer data center equipment purchased for use at the eligible computer data center, the amount of tax under Chapter 5739. or 5741. of the Revised Code that would be due in the absence of the agreement under this section, the exemption percentage for computer data center equipment specified in the agreement, and the amount of tax due under Chapter 5739. or 5741. of the Revised Code as a result of the agreement under this section. Each such taxpayer shall pay the tax shown on the return to be due in the manner and at the times as may be further prescribed by the tax commissioner. Each such taxpayer shall include a copy of the director of ~~development services~~ development's certificate of verification issued under division (E) (6) of this section. Failure to submit a copy of the certificate with the return does not invalidate the claim for exemption if the taxpayer submits a copy of the certificate to the tax commissioner within the time prescribed by section 5703.0510 of the Revised Code.

(J) If the director of development ~~services~~ determines that one or more taxpayers received an exemption from taxes due on the purchase of computer data center equipment purchased for use at a

computer data center that no longer complies with the requirement under division (E)(3) of this section, the director shall notify the tax credit authority and, if applicable, the taxpayer that applied to enter the agreement for the exemption under division (C) of this section of the noncompliance. After receiving such a notice, and after giving each taxpayer subject to the agreement an opportunity to explain the noncompliance, the authority may terminate the agreement and require each such taxpayer to pay to the state all or a portion of the taxes that would have been owed in regards to the exempt equipment in previous years, all as determined under rules adopted pursuant to division (K) of this section. In determining the portion of the taxes that would have been owed on the previously exempted equipment to be paid to this state by a taxpayer, the authority shall consider the effect of market conditions on the eligible computer data center, whether the taxpayer continues to maintain other operations in this state, and, with respect to agreements involving multiple taxpayers, the taxpayer's level of responsibility for the noncompliance. After making the determination, the authority shall certify to the tax commissioner the amount to be paid by each taxpayer subject to the agreement. The tax commissioner shall make an assessment for that amount against each such taxpayer under Chapter 5739. or 5741. of the Revised Code. The time limitations on assessments under those chapters do not apply to an assessment under this division, but the tax commissioner shall make the assessment within one year after the date the authority certifies to the tax commissioner the amount to be paid by the taxpayer.

(K) The director of development ~~services~~, after consultation with the tax commissioner and in accordance with Chapter 119. of the Revised Code, shall adopt rules necessary to implement this section. The rules may provide for recipients of tax exemptions under this section to be charged fees to cover administrative costs incurred in the administration of this section. The fees collected shall be credited to the tax incentives operating fund created in section 122.174 of the Revised Code. At the time the director gives public notice under division (A) of section 119.03 of the Revised Code of the adoption of the rules, the director shall submit copies of the proposed rules to the chairpersons of the standing committees on economic development in the senate and the house of representatives.

(L) On or before the first day of August of each year, the director of development ~~services~~ shall submit a report to the governor, the president of the senate, and the speaker of the house of representatives on the tax exemption authorized under this section. The report shall include 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. 122.1710. (A) As used in this section:

(1) "Low-income individual" has the same meaning as "low-income person" in section ~~122.66-5101.311~~ of the Revised Code.

(2) "Microcredential" has the same meaning as in section 122.178 of the Revised Code.

(3) "OhioMeansJobs web site" has the same meaning as in section 6301.01 of the Revised Code.

(4) "Partially unemployed" and "totally unemployed" have the same meanings as in section 4141.01 of the Revised Code.

(5) "Training provider" means all of the following:

(a) A state institution of higher education as defined in section 3345.011 of the Revised Code;

(b) An Ohio technical center as defined in section 3333.94 of the Revised Code;

(c) A private business or institution that offers training to allow an individual to earn one or more microcredentials.

(6) "Fiscal year" means the fiscal year of this state as specified in section 9.34 of the Revised Code.

(B) There is hereby created the individual microcredential assistance program to reimburse training providers for training costs for individuals to earn a microcredential. The department of development, in consultation with the governor's office of workforce transformation, shall administer the program. The director shall administer the program so that the total reimbursement to each training provider approved to participate in the program occurs at least once per fiscal year.

(C) A training provider seeking to participate in the program shall submit an application to the director of development at the beginning or before the beginning of a fiscal year, but not later than the date established by the director. The training provider shall include in the application all of the following information:

(1) The number of microcredentials the training provider will seek a reimbursement for and the names of the microcredentials;

(2) The cost of the training for each microcredential;

(3) The total amount of the reimbursement the training provider will seek;

(4) The training provider's plan to provide opportunities for individuals who are low income, partially unemployed, or totally unemployed to participate in a training program and receive a microcredential;

(5) Any other information the director requires.

(D)(1) The director shall consider the following factors in determining whether to approve an application submitted under division (C) of this section:

(a) The duration of the training program;

(b) The cost of the training;

(c) Whether approving an application will promote regional diversity in apportioning

reimbursements uniformly across the state;

(d) The training provider's commitment to providing opportunities for individuals who are low income, partially unemployed, or totally unemployed to participate in a training program and receive a microcredential.

(2) In determining regional diversity under division (D)(1)(c) of this section, the director shall use the regions established under division (G) of section 122.178 of the Revised Code.

(3) The director shall not approve an application submitted under this section if either of the following apply:

(a) The microcredentials identified in the application are not included in the list the chancellor of higher education establishes under section 122.178 of the Revised Code.

(b) The training provider has violated Chapter 4111. of the Revised Code within the four fiscal years immediately preceding the date of application.

(4) The director shall notify a training provider in writing of the director's decision to approve or deny the training provider's application to participate in the program.

(E) A participating training provider shall not charge an individual participating in a training program to earn a microcredential for which the training provider is seeking a reimbursement for either of the following:

(1) Any costs associated with the individual's participation in the training program;

(2) Any costs to the training provider resulting from an individual not completing the training program.

(F)(1) Each participating training provider seeking reimbursement for training costs for one or more microcredentials earned by one or more individuals in a training program shall submit an application to the director after the individual or individuals have earned a microcredential. The training provider shall submit the reimbursement application during the fiscal year in which the training provider applied under division (C) of this section, but not later than the date established by the director. The training provider shall include in the reimbursement application all of the following information:

(a) The actual cost for the training provider to provide each individual with the training;

(b) Evidence that each individual earned a microcredential;

(c) Any demographic information of each individual that the individual provides to the training provider, including race and gender.

(2) The amount of the reimbursement shall be not more than three thousand dollars for each microcredential an individual receives. A participating training provider may not receive a reimbursement for any additional individual who earns a microcredential beyond the number of microcredentials included in the application under division (C) of this section. A participating training provider may receive a total reimbursement of five hundred thousand dollars in a fiscal year. However, each participating training provider that is a state institution of higher education may receive a total reimbursement or advance payment amount under section 122.1713 of the Revised

Code of one million dollars in a fiscal year.

(3) A training provider may request that an individual participating in the training provider's program provide demographic information to the training provider, including race and gender. An individual is not required to provide that information.

(G) The director shall do ~~both~~ all of the following regarding the operation of the program:

(1) Create an application to participate in the program and an application for reimbursement;

(2) Create applications to participate in and seek advance payments under the platinum provider programs established under sections 122.1712 and 122.1713 of the Revised Code;

(3) Create and distribute a survey to each individual who successfully earned a microcredential because of a reimbursement to a training provider under this section inquiring as to the individual's occupation and wages at the time of completing the survey.

(H) The director shall include on the internet web site maintained by the department, and the governor's office of workforce transformation shall include on the office's internet web site and the OhioMeansJobs web site, all of the content created under division (G) of this section.

(I) The director may adopt rules in accordance with Chapter 119. of the Revised Code as the director considers necessary to implement this section and sections 122.1712 and 122.1713 of the Revised Code, including establishing priority guidelines for approving applications under division (D) of this section.

(J) Any personal information of an individual the director receives in connection with the individual microcredential assistance program created under this section is not a public record for purposes of section 149.43 of the Revised Code. However, the director may use the information as necessary to complete the reports required under section 122.1711 of the Revised Code.

Sec. 122.1712. (A) As used in this section:

(1) "Fiscal year" means the fiscal year of this state as specified in section 9.34 of the Revised Code.

(2) "Individual microcredential assistance program" means the individual microcredential assistance program created under section 122.1710 of the Revised Code.

(3) "Microcredential" has the same meaning as in section 122.178 of the Revised Code.

(4) "Training provider" means all of the following:

(a) An Ohio technical center as defined in section 3333.94 of the Revised Code;

(b) A private business or institution that offers training to allow an individual to earn one or more microcredentials;

(c) A state institution of higher education as defined in section 3345.011 of the Revised Code.

(B) The director of development, in consultation with the governor's office of workforce transformation, shall establish a platinum provider program. A training provider that is approved to participate in the individual microcredential assistance program and that meets the requirements specified under this section is eligible to participate in the platinum provider program. A training

provider approved to participate in the platinum provider program may receive one or more advance payments to cover the training costs for individuals to earn a microcredential under the individual microcredential assistance program.

(C) A training provider seeking to participate in the platinum provider program shall apply to the director on a form prescribed by the director after the training provider is approved to participate in the individual microcredential assistance program. The training provider shall include in the application all of the following information:

(1) The advance payment amount the training provider is seeking, not to exceed twenty per cent of the total reimbursement amount the training provider seeks under division (C) of section 122.1710 of the Revised Code;

(2) Evidence that at least eighty per cent of individuals who participated in training programs offered by the training provider in the previous fiscal year earned a microcredential under the individual microcredential assistance program;

(3) The number of microcredentials for which the training provider is seeking an advance payment and the names of the microcredentials;

(4) The cost of the training for each microcredential for which the training provider is seeking an advance payment;

(5) Proof that the training provider has obtained a surety bond that meets the requirements of division (J) of this section.

(D) The director shall notify a training provider in writing of the director's decision to approve or deny an application the training provider submits under division (C) of this section. If the director approves the application, the director shall do both of the following:

(1) Designate the training provider as a platinum provider;

(2) Provide an initial advance payment to the platinum provider in the amount specified in the application but not exceeding any of the amounts described under division (F) of this section.

(E) After each training program that a platinum provider administers during a fiscal year that results in at least one individual earning a microcredential, the provider may apply for a subsequent advance payment of not more than the least of the amounts described under division (F) of this section. The provider shall include in the application the same information as described under division (C) of this section. If a provider applies for a subsequent advance payment under this division, one of the following applies depending on the training program's completion rate:

(1) If at least eighty per cent of the individuals who participated in the training program earned a microcredential, the director shall provide a subsequent advance payment to the provider in the amount specified in the application.

(2) If less than eighty per cent of the individuals who participated in the training program earned a microcredential, to be eligible for a subsequent advance payment, the provider shall refund to the director a certain per cent of the advance payment amount that was last provided to the provider during the fiscal year as determined under division (E)(2)(a) of this section.

(a) The per cent a provider must refund to be eligible for a subsequent advance payment under division (E)(2) of this section is the difference between eighty per cent and the per cent of individuals who earned a microcredential.

(b) For a provider to whom division (E)(2) of this section applies, if the provider complies with that division, the director shall provide a subsequent advance payment to the provider in the amount specified in the provider's application. If the provider does not comply with that division, the director shall not provide a subsequent advance payment.

(F) In no case shall the director provide an advance payment under this section that exceeds the least of the following amounts:

(1) Twenty per cent of the total amount of reimbursement the platinum provider seeks under division (C) of section 122.1710 of the Revised Code;

(2) The amount of the provider's surety bond required by division (J) of this section, less any previous advance payment the provider is required to refund to the director under division (G) of this section, if the provider has not yet completed the refund;

(3) One hundred thousand dollars.

(G)(1) If the director approves a reimbursement application that a platinum provider submits under division (F) of section 122.1710 of the Revised Code, the director shall reimburse the platinum provider for the total actual cost for the platinum provider to provide training to individuals who earned a microcredential in accordance with that division less the total advance payment amount provided to the platinum provider under this section. The director shall not reimburse the platinum provider for any amounts the platinum provider refunded to the director under division (E)(2) of this section. If the platinum provider specifies in the reimbursement application that the total actual cost for the platinum provider to provide the training is less than the total advance payment amount provided to the platinum provider under this section, the platinum provider shall refund to the director the difference between the advance payment amount and the actual training cost.

(2) If a platinum provider fails to apply for reimbursement under division (F) of section 122.1710 of the Revised Code, the director shall require the platinum provider to refund the total advance payment amount provided to the platinum provider under this section.

(H) If, at the time a platinum provider seeks reimbursement under division (F) of section 122.1710 of the Revised Code, the director determines that less than eighty per cent of individuals who participated in training programs provided by the platinum provider in the fiscal year earned a microcredential or that the platinum provider has failed to maintain the bond required under division (J) of this section, both of the following apply:

(1) The director shall revoke the provider's status as a platinum provider;

(2) The provider is ineligible to participate in the platinum provider program for the following fiscal year.

(I) A training provider whose platinum status is revoked under division (H) of this section may reapply to participate in the platinum provider program in the fiscal year that follows the fiscal

year in which the training provider is ineligible to participate in the program under that division.

(J) A training provider that is certified as a platinum provider or that seeks to participate in the platinum provider program shall maintain a surety bond issued by a bonding company or an insurance company licensed to do business in this state. The bond shall be in favor of the director in an amount not less than the sum of the total advance payments received by the provider for the fiscal year plus any advance payments for previous fiscal years that the provider is required to refund under division (G) of this section, if the provider has not yet completed the refund. The provider shall maintain the bond for so long as it participates in the program and shall not allow it to expire or terminate until all of the provider's obligations under division (G) of this section are fulfilled.

Sec. 122.1713. (A) As used in this section:

(1) "Fiscal year" means the fiscal year of this state as specified in section 9.34 of the Revised Code.

(2) "Individual microcredential assistance program" means the individual microcredential assistance program created under section 122.1710 of the Revised Code.

(3) "Microcredential" has the same meaning as in section 122.178 of the Revised Code.

(4) "State institution of higher education" has the same meaning as in section 3345.011 of the Revised Code.

(B) The director of development, in consultation with the governor's office of workforce transformation, shall establish an institutional platinum provider program for state institutions of higher education approved to participate in the individual microcredential assistance program.

(C) Each state institution of higher education shall do both of the following:

(1) Provide at least two in-person training programs and at least one online training program for individuals to earn a microcredential;

(2) Not later than the thirty-first day of December immediately after the effective date of this section, and not later than the thirty-first day of December of each year thereafter, apply to participate in the individual microcredential assistance program.

(D) If the director approves a state institution of higher education's application to participate in the individual microcredential assistance program, all of the following apply:

(1) The director shall designate the institution as an institutional platinum provider.

(2) The institution may participate in the institutional platinum provider program established under this section.

(3) The institution is eligible to apply for one or more advance payments under this section to cover training costs for individuals to earn a microcredential.

(E) An institutional platinum provider may apply for an initial advance payment of not more than twenty per cent of the total reimbursement amount the institution seeks under division (C) of section 122.1710 of the Revised Code. If an institution submits an application under this division, the director shall provide an advance payment to the institution in the amount specified in the application.

(F) After each training program that an institutional platinum provider administers during a fiscal year that results in at least one individual earning a microcredential, the institution may apply for a subsequent advance payment of not more than twenty per cent of the total reimbursement amount the institution seeks under division (C) of section 122.1710 of the Revised Code. If an institution applies for a subsequent advance payment under this division, one of the following applies depending on the training program's completion rate:

(1) If at least fifty per cent of the individuals who participated in the training program earned a microcredential, the director shall provide a subsequent advance payment to the institution in the amount specified in the application.

(2) If less than fifty per cent of the individuals who participated in the training program earned a microcredential, to be eligible for a subsequent advance payment, the institution shall refund to the director a certain per cent of the advance payment amount that was last provided to the institution during the fiscal year as determined under division (F)(2)(a) of this section.

(a) The per cent an institution must refund to be eligible for a subsequent advance payment under division (F)(2) of this section is the difference between fifty per cent and the per cent of individuals who earned a microcredential.

(b) For an institution to whom division (F)(2) of this section applies, if the institution complies with that division, the director shall provide a subsequent advance payment to the institution in the amount specified in the institution's application. If the institution does not comply with that division, the director shall not provide a subsequent advance payment.

(G) In no case shall the total amount of the advance payments an institutional platinum provider receives under this section during any fiscal year exceed the total reimbursement amount the institution seeks under division (C) of section 122.1710 of the Revised Code.

(H) If the director approves a reimbursement application that an institutional platinum provider submits under division (F) of section 122.1710 of the Revised Code, the director shall reimburse the institution in accordance with that division for the total actual cost for the institution to provide training to individuals who earned a microcredential less the total advance payment amount provided to the institution under this section. The director shall not reimburse the institution for any amounts the institution refunded to the director under division (F)(2) of this section. If the institution specifies in the reimbursement application that the total actual cost for the institution to provide the training is less than the total advance payment amount provided to the institution under this section, the institution shall refund to the director the difference between the advance payment amount and the actual training cost.

Sec. 122.41. The director of development ~~services~~ is invested with the powers and duties provided in Chapter 122. of the Revised Code, in order to promote the welfare of the people of the state, to stabilize the economy, to provide employment, to assist in the development within the state of industrial, commercial, distribution, and research activities required for the people of the state, and for their gainful employment, or otherwise to create or preserve jobs and employment

opportunities, or improve the economic welfare of the people of the state, ~~and also to assist in the financing of air, water, or thermal pollution control facilities and solid waste disposal facilities by mortgage insurance as provided in section 122.451 of the Revised Code.~~ It is hereby determined that the accomplishment of such purposes is essential so that the people of the state may maintain their present high standards in comparison with the people of other states and so that opportunities for employment and for favorable markets for the products of the state's natural resources, agriculture, and manufacturing shall be improved and that it is necessary for the state to establish the programs authorized pursuant to Chapter 122. of the Revised Code and invest the director of development ~~services~~ with the powers and duties provided in Chapter 122. of the Revised Code. The powers granted to the director by Chapter 165. of the Revised Code are independent of and in addition and alternate to, and are not limited or restricted by, Chapter 122. of the Revised Code.

Sec. 122.42. (A) The director of development shall do all of the following:

(1) Receive applications for assistance under sections 122.39 and 122.41 to 122.62 of the Revised Code;

(2) Make a final determination whether to approve the application for assistance;

(3) Transmit determinations to approve assistance to the controlling board together with any information the controlling board requires for the board's review and decision as to whether to approve the assistance;

(4) Issue revenue bonds of the state through the treasurer of state, as necessary, payable solely from revenues and other sources as provided in sections 122.39 and 122.41 to 122.62 of the Revised Code.

(B) The director may do all of the following:

(1) Fix the rate of interest and charges to be made upon or with respect to moneys loaned by the director and the terms upon which mortgages and lease rentals may be guaranteed and the rates of charges to be made for the loans and guarantees and to make provisions for the operation of the funds established by the director in accordance with this section and ~~sections section~~ 122.54, ~~122.55, 122.56, and 122.57~~ of the Revised Code;

(2) Loan moneys from the fund established in accordance with section 122.54 of the Revised Code pursuant to and in compliance with sections 122.39 and 122.41 to 122.62 of the Revised Code;

(3) Acquire in the name of the director any property of any kind or character in accordance with sections 122.39 and 122.41 to 122.62 of the Revised Code, by purchase, purchase at foreclosure, or exchange on such terms and in such manner as the director considers proper;

(4) Make and enter into all contracts and agreements necessary or incidental to the performance of the director's duties and the exercise of the director's powers under sections 122.39 and 122.41 to 122.62 of the Revised Code;

(5) Maintain, protect, repair, improve, and insure any property which the director has acquired and dispose of the same by sale, exchange, or lease for the consideration and on the terms and in the manner as the director considers proper, but is not authorized to operate any such property

as a business except as the lessor of the property;

(6)(a) When the cost of any contract for the maintenance, protection, repair, or improvement of any property held by the director other than compensation for personal services involves an expenditure of more than one thousand dollars, the director shall make a written contract with the lowest responsive and responsible bidder in accordance with section 9.312 of the Revised Code after advertisement for not less than two consecutive weeks in a newspaper of general circulation in the county where such contract, or some substantial part of it, is to be performed, and in such other publications as the director determines, which notice shall state the general character of the work and the general character of the materials to be furnished, the place where plans and specifications may be examined, and the time and place of receiving bids.

(b) Each bid for a contract for the construction, demolition, alteration, repair, or reconstruction of an improvement shall contain the full name of every person interested in it and meet the requirements of section 153.54 of the Revised Code.

(c) Each bid for a contract, except as provided in division (B)(6)(b) of this section, shall contain the full name of every person interested in it and shall be accompanied by bond or certified check on a solvent bank, in such amount as the director considers sufficient, that if the bid is accepted a contract will be entered into and the performance of the proposal secured.

(d) The director may reject any and all bids.

(e) A bond with good and sufficient surety, approved by the director, shall be required of every contractor awarded a contract except as provided in division (B)(6)(b) of this section, in an amount equal to at least fifty per cent of the contract price, conditioned upon faithful performance of the contract.

(7) Employ financial consultants, appraisers, consulting engineers, superintendents, managers, construction and accounting experts, attorneys, and other employees and agents as are necessary in the director's judgment and fix their compensation;

(8) Assist qualified persons in the coordination and formation of a small business development company, having a statewide area of operation, conditional upon the company's agreeing to seek to obtain certification from the federal small business administration as a certified statewide development company and participation in the guaranteed loan program administered by the small business administration pursuant to the Act of July 2, 1980, 94 Stat. 837, 15 U.S.C.A. 697. During the initial period of formation of the statewide small business development company, the director shall provide technical and financial expertise, legal and managerial assistance, and other services as are necessary and proper to enable the company to obtain and maintain federal certification and participation in the federal guaranteed loan program. The director may charge a fee, in such amount and on such terms and conditions as the director determines necessary and proper, for assistance and services provided pursuant to division (B)(8) of this section.

Persons chosen by the director to receive assistance in the formation of a statewide small business development company pursuant to division (B)(8) of this section shall make a special effort

to use their participation in the federal guaranteed loan program to assist small businesses which are minority business enterprises as defined in division (E) of section 122.71 of the Revised Code. The director, with the assistance of the minority business development division of the department of development, shall provide technical and financial expertise, legal and managerial assistance, and other services in such a manner to enable the development company to provide assistance to small businesses which are minority business enterprises, and shall make available to the development company information pertaining to assistance available to minority business enterprises under programs established pursuant to sections 122.71 to 122.83, 122.87 to 122.89, 122.92 to 122.94, 122.921, and 125.081 of the Revised Code.

(9) Receive and accept grants, gifts, and contributions of money, property, labor, and other things of value to be held, used, and applied only for the purpose for which such grants, gifts, and contributions are made, from individuals, private and public corporations, from the United States or any agency of the United States, from the state or any agency of the state, and from any political subdivision of the state, and may agree to repay any contribution of money or to return any property contributed or the value of the property at such times, in such amounts, and on such terms and conditions, excluding the payment of interest, as the director determines at the time such contribution is made, and may evidence such obligations by notes, bonds, or other written instruments;

(10) Establish with the treasurer of state the ~~funds-fund~~ provided in ~~sections-section~~ 122.54, ~~122.55, 122.56, and 122.57~~ of the Revised Code, in addition to such funds as the director determines are necessary or proper;

(11) Do all acts and things necessary or proper to carry out the powers expressly granted and the duties imposed in sections 122.39 and 122.41 to 122.62 and Chapter 163, of the Revised Code.

(C) All expenses and obligations incurred by the director in carrying out the director's powers and in exercising the director's duties under sections 122.39 and 122.41 to 122.62 of the Revised Code, shall be payable solely from the proceeds of revenue bonds issued pursuant to those sections, from revenues or other receipts or income of the director, from grants, gifts, and contributions, or funds established in accordance with those sections. Those sections do not authorize the director to incur indebtedness or to impose liability on the state or any political subdivision of the state.

(D) Financial statements and financial data submitted to the director by any corporation, partnership, or person in connection with a loan application, or any information taken from such statements or data for any purpose, shall not be open to public inspection.

Sec. 122.47. At the request of the director of development, the treasurer of state shall issue revenue bonds of the state for the purpose of acquiring moneys for the purposes of this chapter, which moneys shall be credited by the treasurer of state as the director of development shall determine to and among the funds established in accordance with or pursuant to sections 122.35, 122.42, and 122.54, ~~122.55, 122.56, 122.561, and 122.57~~ of the Revised Code. ~~The principal of and~~

~~interest on such~~ Such revenue bonds shall be payable solely from the sinking funds established in accordance with section 122.57 of the Revised Code at the times and in the order and manner provided in the bond issuing proceedings or in any trust agreements securing such bonds, and shall be secured by the revenue bond guaranty fund established in accordance with section 122.571 of the Revised Code and shall also be secured by moneys in the other funds established by the director to the extent and on the terms ~~he the director~~ specifies and by covenants of the director ~~that he will to~~ so manage the loans and leases and fix interest rates, charges, and rentals so as to assure receipt of net income and revenue sufficient to provide for the payment of the principal of and the interest on the revenue bonds.

Sec. 122.49. The proceeds of each issue of revenue bonds issued pursuant to sections 122.39 and 122.41 to 122.62 of the Revised Code shall be used for the making of loans authorized in sections 122.43 and 122.45 of the Revised Code, for the purchase and improvement of property authorized in section 122.46 of the Revised Code, ~~for insuring mortgage payments authorized in section 122.451 of the Revised Code,~~ and for the crediting into and among the funds established in accordance with sections 122.35, and 122.54, ~~122.55, 122.56, 122.561, and 122.57~~ of the Revised Code, but subject to such conditions, limitations, and covenants with the purchasers and holders of the bonds as shall be provided for in the bond authorization proceedings and in the trust agreement securing the same.

Provision shall be made by the director of development ~~services~~ for the payment of the expenses of the director in operating the assistance programs authorized under this chapter in such manner and to such extent as shall be determined by the director.

Sec. 122.53. In the discretion of the treasurer of state, any bonds issued under sections 122.39 and 122.41 to 122.62 of the Revised Code, may be secured by a trust agreement between the treasurer of state and a corporate trustee, which trustee may be any trust company or bank having the powers of a trust company within or without the state.

Any such trust agreement may pledge or assign payments of principal of and interest on loans, charges, fees, and other revenue to be received by the director of development ~~services~~, all rentals received under leases made by the director, and all proceeds of the sale or other disposition of property held by the director, ~~and may provide for the holding in trust by the trustee to the extent provided for in the proceedings authorizing such bonds, of all such moneys and moneys otherwise payable into the mortgage guarantee fund created by section 122.56 of the Revised Code, and all moneys otherwise payable into the mortgage insurance fund created by section 122.561 of the Revised Code, and of moneys payable into the sinking fund or funds referred to in section 122.57 of the Revised Code;~~ but shall not convey or mortgage any of the real or personal property held by the director or any part thereof. Any such trust agreement, or any proceedings providing for the issuance of such bonds, may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as are reasonable and proper and not in violation of law, including covenants setting forth the duties of the director in relation to the acquisition of property, and the construction,

improvement, maintenance, repair, operation, and insurance of facilities, the making of loans and leases and the terms and provisions thereof, and the custody, safeguarding, investment, and application of all moneys, and provisions for the employment of consulting engineers or other consultants in connection with the making of loans and leases and the construction or operation of any facility. Any bank or trust company incorporated under the laws of this state which may act as trustee or as depository of the proceeds of bonds or of revenue may furnish such indemnifying bonds or may pledge such securities as are required by the treasurer of state. Any such trust agreement may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action by bondholders as is customary in trust agreements or trust indentures securing bonds or debentures of corporations. Such trust agreement may contain such other provisions as the treasurer of state deems reasonable and proper for the security of the bondholders. All expenses incurred by the treasurer of state in carrying out the provisions of any such trust agreement shall be treated as a part of the cost of the operation of the assistance programs authorized pursuant to Chapter 122. of the Revised Code. Any such trust agreement may provide the method whereby general administrative overhead expense of the director with respect to those assistance programs shall be allocated among the funds established pursuant to Chapter 122. of the Revised Code with respect to the operating expenses of the director payable out of the income of the assistance programs.

Sec. 122.571. ~~In addition to the separate sinking funds created under section 122.57 of the Revised Code, there~~ There is hereby created the revenue bond guaranty fund to consist of all money allocated by the director of development to guarantee payment of interest on, principal of and redemption premium on, the revenue bonds issued by the director under Chapter 122. of the Revised Code, all grants, gifts, and contributions made to the director for such purpose, and all money and property provided by law for such purpose.

Sec. 122.59. In the event of a default with respect to any loan or lease, the director of development shall take such action as ~~he the director~~ deems proper in the circumstances to enforce and protect the rights of the director, and such action as may be required by the provisions of any proceedings authorizing the revenue bonds or of any trust agreement securing such bonds, which may include any appropriate action at law or in equity, enforcement or waiver of any provision of any mortgage or security agreement or lease, or reinstatement of any forfeited or cancelled right, title, or privilege. ~~Notwithstanding any such action, the director shall transfer from the mortgage guarantee fund created by section 122.56 of the Revised Code to the sinking fund or funds referred to in section 122.57 of the Revised Code amounts not greater than the amounts which would have been paid upon such loan or under such lease but for such default, at the time or times when such amounts would have been paid but for such defaults, to the extent provided in the proceedings authorizing and the trust agreements securing such bonds, to be held and applied as other moneys in the sinking fund, and shall make such other transfers and take such other action as shall be required of the director by any such bond issuance proceedings or trust agreement.~~

Sec. 122.631. (A) As used in sections 122.631 to 122.633 of the Revised Code:

(1) "Qualified nonprofit developer" means a nonprofit corporation, as defined in section 1702.01 of the Revised Code, that is all of the following:

(a) Incorporated in this state;

(b) Engaged in community development activities primarily within an identified geographic area of operation in this state;

(c) Has as its primary purpose the improvement of the physical, economic, or social environment by addressing critical problems in that geographic area of operation including housing.

(2) "Electing subdivision," "county land reutilization corporation," and "land reutilization program" have the same meanings as in section 5722.01 of the Revised Code.

(2)(3) "Manufactured home" has the same meaning as in section 3781.06 of the Revised Code, and "mobile home" has the same meaning as in section 4501.01 of the Revised Code.

(3)(4) "Qualifying residential property" means ~~single-family residential property, including a~~ a single unit of single-family residential property that has at least eight hundred square feet of habitable space and is either a stand-alone unit or in a multi-unit property containing not more than ten single-family residential units. "Qualifying residential property" excludes mobile homes but includes both of the following:

(a) A manufactured home;

(b) A single unit in a multi-unit property ~~containing not more than ten units but excluding manufactured homes, that has at least one thousand square feet of habitable space per unit that has~~ other nonresidential units or uses. Such nonresidential units or uses are not qualifying residential property.

(4)(5) "Qualifying median income" means ~~eighty-one hundred twenty~~ per cent of median income for the county where qualifying residential property is located, as determined by the director of development pursuant to section 174.04 of the Revised Code.

(6) "Qualifying financial literacy counseling" means a homeownership course with a curriculum that includes basic home maintenance training and financial literacy.

(7) "Qualifying counseling provider" means an individual, business, nonprofit organization, or political subdivision, including an agency or instrumentality thereof, that is licensed, certified, or authorized to provide homeownership counseling and financial literacy as one of its primary functions, including housing counselors certified by the United States department of housing and urban development or the Ohio housing financing agency.

(B) There is created in the department of development the welcome home Ohio (WHO) program to administer the grants authorized by this section and section ~~163.632-122.632~~ of the Revised Code and the tax credits authorized by section 122.633 of the Revised Code. The department shall create and maintain a list of qualifying residential property to which the deed restriction described in division (D)(4) of this section, division (B)(4) of section 122.632, or division (C)(4) of section 122.633 of the Revised Code applies. That list is not a public record for purposes of

section 149.43 of the Revised Code.

(C) An electing subdivision~~or, a~~ county land reutilization corporation, or a qualified nonprofit developer may apply to the director of development for a grant from the welcome home Ohio fund, which is created in the state treasury, to pay or defer the cost of purchasing qualifying residential property for incorporation into the electing subdivision's or county land reutilization corporation's land reutilization program or the qualified nonprofit developer's housing program. Up to two thousand dollars of each grant may be used to fund the qualifying financial literacy counseling required under division (D)(6) of this section. To the extent that funding is available in that fund, the director may award grants to electing subdivisions~~and, county land reutilization corporations, and qualified nonprofit developers~~ that make such an application and agree to comply with division (D) of this section, with a maximum grant of one hundred thousand dollars per qualifying residential property.

(D) The director of development shall require all applicants for a grant authorized by division (C) of this section to agree, as part of the application, to all of the following:

(1) That grant funds shall only be used to pay the cost of purchasing qualifying residential property;

(2) That qualifying residential property on which grant funds are spent shall be held until sold to an individual or individuals who, inclusively:

(a) Have annual income that is not more than the qualifying median income;

(b) Demonstrate the financial means to purchase the qualifying residential property;

(c) Agree to maintain ownership of the qualifying residential property, occupy it as a primary residence, and not to rent any portion of the property to another individual for use as a dwelling, for at least ~~five~~three years following the date of purchase;

(d) Agree not to sell the qualifying residential property, within ~~twenty~~fifteen years after the date of the sale, to any purchaser ~~except other than the electing subdivision, county land reutilization corporation, or qualified nonprofit developer or~~ an individual or individuals who have annual income that is not more than the qualifying median income;

(e) Agree to pay a penalty to the director of development for violation of the agreement required by division (D)(2)(c) of this section that, ~~subject to divisions (F)(2) and (3) of this section,~~ equals ~~ninety thousand dollars~~the amount of the grant attributable to the property, less eighteen thousand dollars ~~one-third of that amount~~ multiplied by the number of full years the individual or individuals owned the property;

(f) Agree that the director of development is a third-party beneficiary of the purchase agreement;

(g) Agree to participate in the applicant's qualifying financial literacy program;

(h) Agree to annually certify to the director of development ~~or the director's designee~~, during the period described by division (D)(2)(c) of this section, that the individual or individuals own and occupy the qualifying residential property, and that no part of the property is being rented to another

individual for use as a dwelling.

(3) That qualifying residential property on which grant funds are spent shall be sold for not more than ~~one two hundred eighty twenty~~ thousand dollars per property.

(4) That qualifying residential property on which grant funds are spent shall not be sold without a deed restriction prohibiting the sale of the property to a person that is not the electing subdivision, county land reutilization corporation, or qualified nonprofit developer or an individual or individuals who have annual income that is not more than the qualifying median income for twenty fifteen years after the date of the property's first transfer from the applicant following the use of grant funds. The deed restriction is a covenant running with the land and is fully binding on subsequent purchasers of the property until it expires on the fifteenth anniversary of the property's first transfer from the applicant following the use of grant funds. The electing subdivision, county land reutilization corporation, or qualified nonprofit developer may include in the deed restriction a right of first refusal to repurchase the property for the purpose of ensuring that the property is ultimately sold to an individual or individuals who have annual income that is not more than the qualifying median income.

(5) That the applicant shall repay all grant funds not expended to purchase qualifying residential property or to fund the qualifying financial literacy counseling required by division (D)(6) of this section and all grant funds expended to purchase qualifying residential property that is not sold to an individual or individuals who meet the requirements described in division (D)(2) of this section or that is sold without the deed restriction described in division (D)(4) of this section.

(6) That the applicant shall provide qualifying financial literacy counseling, over a minimum of ~~one year~~ six months, delivered by a qualifying counseling provider, to each purchaser of qualifying residential property on which grant funds are spent. An applicant may provide information regarding its qualifying financial literacy program to the director of development for review as part of the application or prior to application. ~~Financial~~ Qualifying financial literacy counseling provided by the applicant to the same purchaser, in accordance with division (B)(6) of section 122.632 of the Revised Code or division (C)(5) of section 122.633 of the Revised Code, satisfies the requirements of division (D)(6) of this section.

(7) That the applicant shall report to the department of development the date when the qualifying residential property that is the subject of the application is sold by the applicant.

(E) The director of development has authority and standing to sue for the enforcement of a deed restriction described in division (D)(4) of this section.

~~(F)(1)(F)~~ (F) An electing subdivision ~~or~~ a county land reutilization corporation, or a qualified nonprofit developer may apply for, and the director of development may award both a grant under this section for the purchase of qualifying residential property, and either a grant under section 122.632 of the Revised Code, or a tax credit under section 122.633 of the Revised Code, to rehabilitate or construct the same qualifying residential property.

~~(2) If an electing subdivision or county land reutilization is awarded a grant under this~~

~~section and a grant under section 122.632 of the Revised Code for the same qualifying residential property, and the individual or individuals who purchase the property violate both of the agreements required by division (D)(2)(e) of this section and division (B)(2)(e) of section 122.632 of the Revised Code, only the penalty described by division (B)(2)(e) of section 122.632 of the Revised Code applies.~~

~~(3) If an electing subdivision or county land reutilization is awarded a grant under this section and a tax credit under section 122.633 of the Revised Code for the same qualifying residential property, and the individual or individuals who purchase the property violate both of the agreements required by division (D)(2)(e) of this section and division (C)(2)(a) of section 122.633 of the Revised Code, only the greater of the penalties described in divisions (D)(2)(e) of this section and division (C)(2)(e) of section 122.633 of the Revised Code applies.~~

(G)(1) The director may adopt rules in accordance with Chapter 119. Of the Revised Code as necessary to administer the grant program. Such rules may include the following:

- (a) Application forms, deadlines, and procedures;
- (b) Criteria for evaluating and prioritizing applications;
- (c) Guidelines for promoting an even geographic distribution of grants throughout the state;
- (d) Guidelines to determine the value of qualifying residential property located in a building

with other uses and the total value of that building.

- (2) Any grants repaid under this section shall be credited to the welcome home Ohio fund.

(3) An electing subdivision, a county land reutilization corporation, or a qualified nonprofit developer shall use all profits derived from the sale of qualifying residential property on which grant funds are spent, including profits derived from the resale of such property to a subsequent purchaser, for the electing subdivision's or county land reutilization corporation's land reutilization program or the qualified nonprofit developer's housing program.

Sec. 122.632. (A) An electing subdivision ~~or, a county land reutilization corporation, or a~~ qualified nonprofit developer may apply to the director of development for a grant from the welcome home Ohio fund created in section 122.631 of the Revised Code to pay or defer the cost to rehabilitate or construct qualifying residential property held by the electing subdivision's or county land reutilization corporation's land reutilization program or the qualified nonprofit developer's housing program. To the extent that funding is available, in that fund the director may award grants to electing subdivisions ~~and, county land reutilization corporations, and qualified nonprofit developers~~ that make such an application and agree to comply with division (B) of this section, with a maximum grant of ~~thirty-one hundred~~ thirty-one hundred thousand dollars per qualifying residential property.

(B) The director of development shall require all applicants for a grant authorized by division (A) of this section to agree, as part of the application, to all of the following:

- (1) That grant funds shall ~~only be used to pay the cost of rehabilitation or construction of~~ qualifying residential property and all work will be completed according to all applicable construction and design standards; Up to two thousand dollars of each grant may be used to fund

the qualifying financial literacy counseling required under division (B)(6) of this section. If grant funds are spent to construct or rehabilitate a qualifying residential property described in division (A)(4)(b) of section 122.631 of the Revised Code, then no portion of the funds shall be spent to construct or rehabilitate portions of the building that are for nonresidential uses, except for common areas used by the occupants of the residential units and improvements that serve both the residential units and the other portions of the building.

(2) That qualifying residential property on which grant funds are spent shall be held until sold to an individual or individuals who, inclusively:

(a) Have annual income that is not more than the qualifying median income;

(b) Demonstrate the financial means to purchase the qualifying residential property;

(c) Agree to maintain ownership of the qualifying residential property, occupy it as a primary residence, and not to rent any portion of the property to another individual for use as a dwelling, for at least ~~five~~three years following the date of purchase;

(d) Agree not to sell the qualifying residential property, within ~~twenty~~twenty-five years after the date of the sale, to any purchaser ~~except other than the electing subdivision, county land reutilization corporation, or qualified nonprofit developer or~~ an individual or individuals who have annual income that is not more than the qualifying median income;

(e) Agree to pay a penalty to the director of development for violation of the agreement required by division (B)(2)(c) of this section that, ~~subject to division (F)(2) of section 122.631 of the Revised Code, equals ninety thousand dollars~~the amount of the grant attributable to the property, less eighteen thousand dollars ~~one-third of that amount~~ multiplied by the number of full years the individual or individuals owned the property.

(f) Agree that the director of development is a third-party beneficiary of the purchase agreement;

(g) Agree to participate in the applicant's qualifying financial literacy program;

(h) Agree to annually certify to the director of development ~~or the director's designee~~, during the period described by division (B)(2)(c) of this section, that the individual or individuals own and occupy the qualifying residential property, and that no part of the property is being rented to another individual for use as a dwelling.

(3) That qualifying residential property on which grant funds are spent shall be sold for not more than ~~one~~two hundred ~~eighty~~twenty thousand dollars per property.

(4) That qualifying residential property on which grant funds are spent shall not be sold without a deed restriction prohibiting the sale of the property to a person that is not the electing subdivision, county land reutilization corporation, or qualified nonprofit developer or an individual or individuals who have annual income that is not more than the median income for ~~twenty~~twenty-five years after the date of the property's first transfer from the applicant following the use of grant funds. The deed restriction is a covenant running with the land and is fully binding on subsequent purchasers of the property until it expires on the fifteenth anniversary of the property's first transfer

from the applicant following the use of grant funds. The electing subdivision, county land reutilization corporation, or qualified nonprofit developer may include in the deed restriction a right of first refusal to repurchase the property for the purpose of ensuring that the property is ultimately sold to an individual or individuals who have annual income that is not more than the qualifying median income.

(5) That the applicant shall repay all grant funds expended on any expenses other than the construction or rehabilitation of qualifying residential property or financial literacy counseling required under division (B)(6) of this section, or on qualifying residential property that is not sold to an individual or individuals who meet the requirements described in division (B)(2) of this section or that is sold without the deed restriction described in division (B)(4) of this section;

(6) That the applicant shall provide financial qualifying literacy counseling, over a minimum of ~~one year~~ six months, delivered by the qualifying counseling provider, to each purchaser of qualifying residential property on which grant funds are spent. An applicant may provide information regarding its qualifying financial literacy program to the director of development for review as part of the application or prior to application;

(7) That the applicant shall report to the department of development the date when the qualifying residential property that is the subject of the application is sold by the applicant.

(8) That, if grant funds are received, the qualifying residential property that is the subject of the application shall not be the subject of an application for a tax credit under section 122.633 of the Revised Code.

(C) The director of development is granted authority and standing to sue for the enforcement of a deed restriction described in division (B)(4) of this section.

(D)(1) The director may adopt rules in accordance with Chapter 119. of the Revised Code as necessary to administer the grant program. Such rules may include the following:

- (a) Application forms, deadlines, and procedures;
- (b) Criteria for evaluating and prioritizing applications;
- (c) Guidelines for promoting an even geographic distribution of grants throughout the state;
- (d) Guidelines to determine the value of qualifying residential property located in a building with other uses and the total value of that building.

(2) Any grants repaid under this section shall be credited to the welcome home Ohio fund.

(3) An electing subdivision, a county land reutilization corporation, or a qualified nonprofit developer shall use all profits derived from the sale of qualifying residential property on which grant funds are spent, including profits derived from the resale of such property to a subsequent purchaser, for the electing subdivision's or county land reutilization corporation's land reutilization program or the qualified nonprofit developer's housing program.

Sec. 122.633. (A) As used in this section, "eligible developer" means any of the following:

(1) A nonprofit corporation, as defined in section 1702.01 of the Revised Code, based in this state with a primary activity of the development and preservation of affordable housing;