

AN ACT

To amend sections 101.72, 102.02, 102.022, 102.03, 126.21, 2907.03, 3345.011, 3345.09, 3345.61, and 3345.99, to enact sections 3333.045 and 3345.71 to 3345.78, and to repeal section 3345.031 of the Revised Code to require the Ohio Board of Regents to place a state university or college on a fiscal watch under certain circumstances, to authorize the Governor under certain circumstances to transfer the powers and duties of a board of trustees of a state university or college under a fiscal watch to a conservator and alternative governance authority, to require the development of a model for training members of boards of trustees of state universities and colleges and of the Board of Regents regarding their authority and responsibilities, and to make an appropriation.

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

SECTION 1. That sections 101.72, 102.02, 102.022, 102.03, 126.21, 2907.03, 3345.011, 3345.09, 3345.61, and 3345.99 be amended and sections 3333.045, 3345.71, 3345.72, 3345.73, 3345.74, 3345.75, 3345.76, 3345.77, and 3345.78 of the Revised Code be enacted to read as follows:

Sec. 101.72. (A) Each legislative agent and employer, within ten days following an engagement of a legislative agent, shall file with the joint legislative ethics committee an initial registration statement showing all of the following:

- (1) The name, business address, and occupation of the legislative agent;
- (2) The name and business address of the employer and the real party in interest on whose behalf the legislative agent is actively advocating, if it is different from the employer. For the purposes of division (A) of this section, where a trade association or other charitable or fraternal organization that is exempt from federal income taxation under subsection 501(c) of the federal

Internal Revenue Code is the employer, the statement need not list the names and addresses of each member of the association or organization, so long as the association or organization itself is listed.

(3) A brief description of the type of legislation to which the engagement relates.

(B) In addition to the initial registration statement required by division (A) of this section, each legislative agent and employer shall file with the joint committee, not later than the last day of January, May, and September of each year, an updated registration statement that confirms the continuing existence of each engagement described in an initial registration statement and that lists the specific bills or resolutions on which the agent actively advocated under that engagement during the period covered by the updated statement, and with it any statement of expenditures required to be filed by section 101.73 of the Revised Code and any details of financial transactions required to be filed by section 101.74 of the Revised Code.

(C) If a legislative agent is engaged by more than one employer, the agent shall file a separate initial and updated registration statement for each engagement. If an employer engages more than one legislative agent, the employer need file only one updated registration statement under division (B) of this section, which shall contain the information required by division (B) of this section regarding all of the legislative agents engaged by the employer.

(D)(1) A change in any information required by division (A)(1), (2), or (B) of this section shall be reflected in the next updated registration statement filed under division (B) of this section.

(2) Within thirty days after the termination of an engagement, the legislative agent who was employed under the engagement shall send written notification of the termination to the joint committee.

(E) Except as otherwise provided in this division, a registration fee of ten dollars shall be charged for filing an initial registration statement. All money collected from this registration fee shall be deposited to the credit of the joint legislative ethics committee fund created under section 101.34 of the Revised Code. An officer or employee of a state agency who actively advocates in ~~his~~ a fiduciary capacity as a representative of that state agency need not pay the registration fee prescribed by this division or file expenditure statements under section 101.73 of the Revised Code. As used in this division, "state agency" does not include a state institution of higher education as defined in section ~~3345.031~~ 3345.011 of the Revised Code.

(F) Upon registration pursuant to division (A) of this section, the legislative agent shall be issued a card by the joint committee showing that

the legislative agent is registered. The registration card and the legislative agent's registration shall be valid from the date of their issuance until the next thirty-first day of December of an even-numbered year.

(G) The executive director of the joint committee shall be responsible for reviewing each registration statement filed with the joint committee under this section and for determining whether the statement contains all of the information required by this section. If the joint committee determines that the registration statement does not contain all of the required information or that a legislative agent or employer has failed to file a registration statement, the joint committee shall send written notification by certified mail to the person who filed the registration statement regarding the deficiency in the statement or to the person who failed to file the registration statement regarding the failure. Any person so notified by the joint committee shall, not later than fifteen days after receiving the notice, file a registration statement or an amended registration statement that does contain all of the information required by this section. If any person who receives a notice under this division fails to file a registration statement or such an amended registration statement within this fifteen-day period, the joint committee shall notify the attorney general, who may take appropriate action as authorized under section 101.79 of the Revised Code. If the joint committee notifies the attorney general under this division, the joint committee shall also notify in writing the governor and each member of the general assembly of the pending investigation.

(H) On or before the fifteenth day of March of each year, the joint committee shall, in the manner and form that it determines, publish a report containing statistical information on the registration statements filed with it under this section during the preceding year.

Sec. 102.02. (A) Except as otherwise provided in division (H) of this section, every person who is elected to or is a candidate for a state, county, or city office, or the office of member of the United States congress, and every person who is appointed to fill a vacancy for an unexpired term in such an elective office; all members of the state board of education; the director, assistant directors, deputy directors, division chiefs, or persons of equivalent rank of any administrative department of the state; the president or other chief administrative officer of every state institution of higher education as defined in section ~~3345.031~~ 3345.011 of the Revised Code; the chief executive officer of each state retirement system; all members of the board of commissioners on grievances and discipline of the supreme court and the ethics commission created under section 102.05 of the Revised Code; every business manager, treasurer, or superintendent of a city, local,

exempted village, joint vocational, or cooperative education school district or an educational service center; every person who is elected to or is a candidate for the office of member of a board of education of a city, local, exempted village, joint vocational, or cooperative education school district or of a governing board of an educational service center that has an average daily membership of twelve thousand or more as most recently certified to the state board of education pursuant to division (A) of section 3317.03 of the Revised Code; every public official or employee who is paid a salary or wage in accordance with schedule C of section 124.15 or schedule E-2 of section 124.152 of the Revised Code; and every other public official or employee who is designated by the appropriate ethics commission pursuant to division (B) of this section shall file with the appropriate ethics commission on a form prescribed by the commission, a statement disclosing:

(1) The name of the person filing the statement and each member of the person's immediate family and all names under which the person or members of the person's immediate family does business;

(2)(a) Subject to divisions (A)(2)(b), and (c) of this section and except as otherwise provided in section 102.022 of the Revised Code, identification of every source of income, other than income from a legislative agent identified in division (A)(2)(b) of this section, received during the preceding calendar year, in the person's own name or by any other person for the person's use or benefit, by the person filing the statement, and a brief description of the nature of the services for which the income was received. If the person filing the statement is a member of the general assembly, the statement shall identify the amount of every source of income received in accordance with the following ranges of amounts: zero or more but less than one thousand dollars; one thousand dollars or more but less than ten thousand dollars; ten thousand dollars or more but less than twenty-five thousand dollars; twenty-five thousand dollars or more but less than fifty thousand dollars; fifty thousand dollars or more but less than one hundred thousand dollars; and one hundred thousand dollars or more. Division (A)(2)(a) of this section shall not be construed to require a person filing the statement who derives income from a business or profession to disclose the individual items of income that constitute the gross income of that business or profession, except for those individual items of income that are attributable to the person's or, if the income is shared with the person, the partner's, solicitation of services or goods or performance, arrangement, or facilitation of services or provision of goods on behalf of the business or profession of clients, including corporate clients, who are legislative agents

as defined in section 101.70 of the Revised Code. A person who files the statement under this section shall disclose the identity of and the amount of income received from a person whom the public official or employee knows or has reason to know is doing or seeking to do business of any kind with the public official's or employee's agency.

(b) If the person filing the statement is a member of the general assembly, the statement shall identify every source of income and the amount of that income that was received from a legislative agent, as defined in section 101.70 of the Revised Code, during the preceding calendar year, in the person's own name or by any other person for the person's use or benefit, by the person filing the statement, and a brief description of the nature of the services for which the income was received. Division (A)(2)(b) of this section requires the disclosure of clients of attorneys or persons licensed under section 4732.12 of the Revised Code, or patients of persons certified under section 4731.14 of the Revised Code if those clients or patients are legislative agents. Division (A)(2)(b) of this section requires a person filing the statement who derives income from a business or profession to disclose those individual items of income that constitute the gross income of that business or profession that are received from legislative agents.

(c) Except as otherwise provided in division (A)(2)(c) of this section, division (A)(2)(a) of this section applies to attorneys, physicians, and other persons who engage in the practice of a profession and who, pursuant to a section of the Revised Code, the common law of this state, a code of ethics applicable to the profession, or otherwise, generally are required not to reveal, disclose, or use confidences of clients, patients, or other recipients of professional services except under specified circumstances or generally are required to maintain those types of confidences as privileged communications except under specified circumstances. Division (A)(2)(a) of this section does not require an attorney, physician, or other professional subject to a confidentiality requirement as described in division (A)(2)(c) of this section to disclose the name, other identity, or address of a client, patient, or other recipient of professional services if the disclosure would threaten the client, patient, or other recipient of professional services, would reveal details of the subject matter for which legal, medical, or professional advice or other services were sought, or would reveal an otherwise privileged communication involving the client, patient, or other recipient of professional services. Division (A)(2)(a) of this section does not require an attorney, physician, or other professional subject to a confidentiality requirement as described in division (A)(2)(c) of this section to disclose in

the brief description of the nature of services required by division (A)(2)(a) of this section any information pertaining to specific professional services rendered for a client, patient, or other recipient of professional services that would reveal details of the subject matter for which legal, medical, or professional advice was sought or would reveal an otherwise privileged communication involving the client, patient, or other recipient of professional services.

(3) The name of every corporation on file with the secretary of state that is incorporated in Ohio or holds a certificate of compliance authorizing it to do business in this state, trust, business trust, partnership, or association that transacts business in Ohio in which the person filing the statement or any other person for the person's use and benefit had during the preceding calendar year an investment of over one thousand dollars at fair market value as of the thirty-first day of December of the preceding calendar year, or the date of disposition, whichever is earlier, or in which the person holds any office or has a fiduciary relationship, and a description of the nature of the investment, office, or relationship. This division does not require disclosure of the name of any bank, savings and loan association, credit union, or building and loan association with which the person filing the statement has a deposit or a withdrawable share account.

(4) All fee simple and leasehold interests to which the person filing the statement holds legal title to or a beneficial interest in real property located within the state, excluding the person's residence and property used primarily for personal recreation;

(5) The names of all persons residing or transacting business in the state to whom the person filing the statement owes, in the person's own name or in the name of any other person, more than one thousand dollars. This division shall not be construed to require the disclosure of debts owed by the person resulting from the ordinary conduct of a business or profession or debts on the person's residence or real property used primarily for personal recreation, except that the superintendent of financial institutions shall disclose the names of all state-chartered savings and loan associations and of all service corporations subject to regulation under division (E)(2) of section 1151.34 of the Revised Code to whom the superintendent in the superintendent's own name or in the name of any other person owes any money, and that the superintendent and any deputy superintendent of banks shall disclose the names of all state-chartered banks and all bank subsidiary corporations subject to regulation under section 1109.44 of the Revised Code to whom the superintendent or deputy superintendent owes any money.

(6) The names of all persons residing or transacting business in the state, other than a depository excluded under division (A)(3) of this section, who owes more than one thousand dollars to the person filing the statement, either in the person's own name or to any person for the person's use or benefit. This division shall not be construed to require the disclosure of clients of attorneys or persons licensed under section 4732.12 or 4732.15 of the Revised Code, or patients of persons certified under section 4731.14 of the Revised Code, nor the disclosure of debts owed to the person resulting from the ordinary conduct of a business or profession.

(7) Except as otherwise provided in section 102.022 of the Revised Code, the source of each gift of over seventy-five dollars, or of each gift of over twenty-five dollars received by a member of the general assembly from a legislative agent, received by the person in the person's own name or by any other person for the person's use or benefit during the preceding calendar year, except gifts received by will or by virtue of section 2105.06 of the Revised Code, or received from spouses, parents, grandparents, children, grandchildren, siblings, nephews, nieces, uncles, aunts, brothers-in-law, sisters-in-law, sons-in-law, daughters-in-law, fathers-in-law, mothers-in-law, or any person to whom the person filing the statement stands in loco parentis, or received by way of distribution from any inter vivos or testamentary trust established by a spouse or by an ancestor;

(8) Except as otherwise provided in section 102.022 of the Revised Code, identification of the source and amount of every payment of expenses incurred for travel to destinations inside or outside this state that is received by the person in the person's own name or by any other person for the person's use or benefit and that is incurred in connection with the person's official duties except for expenses for travel to meetings or conventions of a national or state organization to which either house of the general assembly, any legislative agency, a state institution of higher education as defined in section 3345.031 of the Revised Code, any other state agency, or any political subdivision or any office or agency of a political subdivision pays membership dues.

(9) Except as otherwise provided in section 102.022 of the Revised Code, identification of the source of payment of expenses for meals and other food and beverages, other than for meals and other food and beverages provided at a meeting at which the person participated in a panel, seminar, or speaking engagement or at a meeting or convention of a national or state organization to which either house of the general assembly, any legislative agency, a state institution of higher education as defined in section 3345.031

of the Revised Code, any other state agency, or any political subdivision or any office or agency of a political subdivision pays membership dues, that are incurred in connection with the person's official duties and that exceed one hundred dollars aggregated per calendar year;

(10) If the financial disclosure statement is filed by a public official or employee described in division (B)(2) of section 101.73 of the Revised Code or division (B)(2) of section 121.63 of the Revised Code who receives a statement from a legislative agent, executive agency lobbyist, or employer that contains the information described in division (F)(2) of section 101.73 of the Revised Code or division (G)(2) of section 121.63 of the Revised Code, all of the nondisputed information contained in the statement delivered to that public official or employee by the legislative agent, executive agency lobbyist, or employer under division (F)(2) of section 101.73 or (G)(2) of section 121.63 of the Revised Code. As used in division (A)(10) of this section, "legislative agent," "executive agency lobbyist," and "employer" have the same meanings as in sections 101.70 and 121.60 of the Revised Code.

A person may file a statement required by this section in person or by mail. A person who is a candidate for elective office shall file the statement no later than the thirtieth day before the primary, special, or general election at which such candidacy is to be voted on, whichever election occurs sooner, except a person who is a write-in candidate shall file the statement no later than the twentieth day before the earliest election at which the person's candidacy is to be voted on. A person who holds elective office shall file the statement on or before the fifteenth day of April of each year, unless the person is a candidate for office. A person who is appointed to fill a vacancy for an unexpired term in an elective office shall file the statement within fifteen days after the person qualifies for office. Other persons shall file an annual statement on or before the fifteenth day of April or, if appointed or employed after that date, within ninety days after appointment or employment. No person shall be required to file with the appropriate ethics commission more than one statement or pay more than one filing fee for any one calendar year.

The appropriate ethics commission, for good cause, may extend for a reasonable time the deadline for filing a disclosure statement under this section.

A statement filed under this section is subject to public inspection at locations designated by the appropriate ethics commission except as otherwise provided in this section.

(B) The Ohio ethics commission, the joint legislative ethics committee,

and the board of commissioners on grievances and discipline of the supreme court, using the rule-making procedures of Chapter 119. of the Revised Code, may require any class of public officials or employees under its jurisdiction and not specifically excluded by this section whose positions involve a substantial and material exercise of administrative discretion in the formulation of public policy, expenditure of public funds, enforcement of laws and rules of the state or a county or city, or the execution of other public trusts, to file an annual statement on or before the fifteenth day of April under division (A) of this section. The appropriate ethics commission shall send the public officials or employees written notice of the requirement by the fifteenth day of February of each year the filing is required, unless the public official or employee is appointed after that date, in which case the notice shall be sent within thirty days after appointment, and the filing shall be made not later than ninety days after appointment.

Disclosure statements filed under this division with the Ohio ethics commission by members of boards, commissions, or bureaus of the state for which no compensation is received other than reasonable and necessary expenses shall be kept confidential. Disclosure statements filed with the Ohio ethics commission under division (A) of this section by business managers, treasurers, and superintendents of city, local, exempted village, joint vocational, or cooperative education school districts or educational service centers shall be kept confidential, except that any person conducting an audit of any such school district pursuant to section 115.56 or Chapter 117. of the Revised Code may examine the disclosure statement of any business manager, treasurer, or superintendent of that school district or educational service center. The Ohio ethics commission shall examine each disclosure statement required to be kept confidential to determine whether a potential conflict of interest exists for the person who filed the disclosure statement. A potential conflict of interest exists if the private interests of the person, as indicated by the person's disclosure statement, might interfere with the public interests the person is required to serve in the exercise of the person's authority and duties in the person's office or position of employment. If the commission determines that a potential conflict of interest exists, it shall notify the person who filed the disclosure statement and shall make the portions of the disclosure statement that indicate a potential conflict of interest subject to public inspection in the same manner as is provided for other disclosure statements. Any portion of the disclosure statement that the commission determines does not indicate a potential conflict of interest shall be kept confidential by the commission and shall not be made subject to public inspection, except as is necessary for the

forcement of Chapters 102. and 2921. of the Revised Code and except as otherwise provided in this paragraph.

(C) No person shall knowingly fail to file, on or before the applicable filing deadline under this section, a statement that is required by this section.

(D) No person shall knowingly file a false statement that is required to be filed under this section.

(E)(1) Except as provided in divisions (E)(2) and (3) of this section, on and after March 2, 1994, the statement required by division (A) or (B) of this section shall be accompanied by a filing fee of twenty-five dollars.

(2) The statement required by division (A) of this section shall be accompanied by a filing fee to be paid by the person who is elected or appointed to or is a candidate for any of the following offices:

For state office, except member of state board of education	\$50
For office of member of United States congress or member of general assembly	\$25
For county office	\$25
For office of member of state board of education	\$10
For office of member of city, local, exempted village, or cooperative education board of education or educational service center governing board	\$ 5
For position of business manager, treasurer, or superintendent of city, local, exempted village, joint vocational, or cooperative education school district or educational service center	\$ 5

(3) No judge of a court of record or candidate for judge of such a court, and no referee or magistrate serving a court of record, shall be required to pay the fee required under division (E)(1) or (2), or (F) of this section.

(4) For any public official who is appointed to a nonelective office of the state and for any employee who holds a nonelective position in a public agency of the state, the state agency that is the primary employer of the state official or employee shall pay the fee required under division (E)(1) or (F) of this section.

(F) If a statement required to be filed under this section is not filed by the date on which it is required to be filed, the appropriate ethics

commission shall assess the person required to file the statement a late filing fee equal to one-half of the applicable filing fee for each day the statement is not filed, except that the total amount of the late filing fee shall not exceed one hundred dollars.

(G)(1) The appropriate ethics commission other than the Ohio ethics commission shall deposit all fees it receives under divisions (E) and (F) of this section into the general revenue fund of the state.

(2) The Ohio ethics commission shall deposit all fees it receives under divisions (E) and (F) of this section and all moneys it receives from settlements under division (G) of section 102.06 of the Revised Code into the Ohio ethics commission fund, which is hereby created in the state treasury. All moneys credited to the fund shall be used solely for expenses related to the operation of the commission.

(H) Division (A) of this section does not apply to a person elected or appointed to the office of precinct, ward, or district committee member under Chapter 3517. of the Revised Code; a presidential elector; a delegate to a national convention; village or township officials and employees; any physician or psychiatrist who is paid a salary or wage in accordance with schedule C of section 124.15 or schedule E-2 of section 124.152 of the Revised Code and whose primary duties do not require the exercise of administrative discretion; or any member of a board, commission, or bureau of any county or city who receives less than one thousand dollars per year for serving in that position.

Sec. 102.022. Each person who is an officer or employee of a political subdivision, who receives compensation of less than sixteen thousand dollars a year for holding an office or position of employment with that political subdivision, and who is required to file a statement under section 102.02 of the Revised Code, and each member of the board of trustees of a state institution of higher education as defined in section ~~3345.031~~ 3345.011 of the Revised Code who is required to file a statement under section 102.02 of the Revised Code, shall include in that statement, in place of the information required by divisions (A)(2), (7), (8), and (9) of that section, the following information:

(A) Exclusive of reasonable expenses, identification of every source of income over five hundred dollars received during the preceding calendar year, in ~~his~~ the officer's or employee's own name or by any other person for ~~his~~ the officer's or employee's use or benefit, by the person filing the statement, and a brief description of the nature of the services for which the income was received. This division shall not be construed to require the disclosure of clients of attorneys or persons licensed under section 4732.12

or 4732.15 of the Revised Code or patients of persons certified under section 4731.14 of the Revised Code. This division shall not be construed to require a person filing the statement who derives income from a business or profession to disclose the individual items of income that constitute the gross income of the business or profession.

(B) The source of each gift of over five hundred dollars received by the person in ~~his~~ the officer's or employee's own name or by any other person for ~~his~~ the officer's or employee's use or benefit during the preceding calendar year, except gifts received by will or by virtue of section 2105.06 of the Revised Code, received from parents, grandparents, children, grandchildren, siblings, nephews, nieces, uncles, aunts, brothers-in-law, sisters-in-law, sons-in-law, daughters-in-law, fathers-in-law, mothers-in-law, or any person to whom the person filing the statement stands in loco parentis, or received by way of distribution from any inter vivos or testamentary trust established by a spouse or by an ancestor.

Sec. 102.03. (A)(1) No present or former public official or employee shall, during public employment or service or for twelve months thereafter, represent a client or act in a representative capacity for any person on any matter in which the public official or employee personally participated as a public official or employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or other substantial exercise of administrative discretion.

(2) For twenty-four months after the conclusion of service, no former commissioner or attorney examiner of the public utilities commission shall represent a public utility, as defined in section 4905.02 of the Revised Code, or act in a representative capacity on behalf of such a utility before any state board, commission, or agency.

(3) For twenty-four months after the conclusion of employment or service, no former public official or employee who personally participated as a public official or employee through decision, approval, disapproval, recommendation, the rendering of advice, the development or adoption of solid waste management plans, investigation, inspection, or other substantial exercise of administrative discretion under Chapter 343. or 3734. of the Revised Code shall represent a person who is the owner or operator of a facility, as defined in section 3734.01 of the Revised Code, or who is an applicant for a permit or license for a facility under that chapter, on any matter in which the public official or employee personally participated as a public official or employee.

(4) For a period of one year after the conclusion of employment or service as a member or employee of the general assembly, no former

member or employee of the general assembly shall represent, or act in a representative capacity for, any person on any matter before the general assembly, any committee of the general assembly, or the controlling board. Division (A)(4) of this section does not apply to or affect a person who separates from service with the general assembly on or before December 31, 1995. As used in division (A)(4) of this section "person" does not include any state agency or political subdivision of the state.

(5) As used in divisions (A)(1), (2), and (3) of this section, "matter" includes any case, proceeding, application, determination, issue, or question, but does not include the proposal, consideration, or enactment of statutes, rules, ordinances, resolutions, or charter or constitutional amendments. As used in division (A)(4) of this section, "matter" includes the proposal, consideration, or enactment of statutes, resolutions, or constitutional amendments. As used in division (A) of this section, "represent" includes any formal or informal appearance before, or any written or oral communication with, any public agency on behalf of any person.

(6) Nothing contained in division (A) of this section shall prohibit, during such period, a former public official or employee from being retained or employed to represent, assist, or act in a representative capacity for the public agency by which the public official or employee was employed or on which the public official or employee served.

(7) Division (A) of this section shall not be construed to prohibit the performance of ministerial functions, including, but not limited to, the filing or amendment of tax returns, applications for permits and licenses, incorporation papers, and other similar documents.

(B) No present or former public official or employee shall disclose or use, without appropriate authorization, any information acquired by the public official or employee in the course of the public official's or employee's official duties that is confidential because of statutory provisions, or that has been clearly designated to the public official or employee as confidential when that confidential designation is warranted because of the status of the proceedings or the circumstances under which the information was received and preserving its confidentiality is necessary to the proper conduct of government business.

(C) No public official or employee shall participate within the scope of duties as a public official or employee, except through ministerial functions as defined in division (A) of this section, in any license or rate-making proceeding that directly affects the license or rates of any person, partnership, trust, business trust, corporation, or association in which the public official or employee or immediate family owns or controls more than

five per cent. No public official or employee shall participate within the scope of duties as a public official or employee, except through ministerial functions as defined in division (A) of this section, in any license or rate-making proceeding that directly affects the license or rates of any person to whom the public official or employee or immediate family, or a partnership, trust, business trust, corporation, or association of which the public official or employee or the public official's or employee's immediate family owns or controls more than five per cent, has sold goods or services totaling more than one thousand dollars during the preceding year, unless the public official or employee has filed a written statement acknowledging that sale with the clerk or secretary of the public agency and the statement is entered in any public record of the agency's proceedings. This division shall not be construed to require the disclosure of clients of attorneys or persons licensed under section 4732.12 or 4732.15 of the Revised Code, or patients of persons certified under section 4731.14 of the Revised Code.

(D) No public official or employee shall use or authorize the use of the authority or influence of office or employment to secure anything of value or the promise or offer of anything of value that is of such a character as to manifest a substantial and improper influence upon the public official or employee with respect to that person's duties.

(E) No public official or employee shall solicit or accept anything of value that is of such a character as to manifest a substantial and improper influence upon the public official or employee with respect to that person's duties.

(F) No person shall promise or give to a public official or employee anything of value that is of such a character as to manifest a substantial and improper influence upon the public official or employee with respect to that person's duties.

(G) In the absence of bribery or another offense under the Revised Code or a purpose to defraud, contributions made to a campaign committee, political party, legislative campaign fund, or political action committee on behalf of an elected public officer or other public official or employee who seeks elective office shall be considered to accrue ordinarily to the public official or employee for the purposes of divisions (D), (E), and (F) of this section.

As used in this division, "contributions," "campaign committee," "political party," "legislative campaign fund," and "political action committee" have the same meanings as in section 3517.01 of the Revised Code.

(H) No public official or employee, except for the president or other

chief administrative officer of or a member of a board of trustees of a state institution of higher education as defined in section ~~3345.031~~ 3345.011 of the Revised Code, who is required to file a financial disclosure statement under section 102.02 of the Revised Code shall solicit or accept, and no person shall give to that public official or employee, an honorarium. This division and divisions (D), (E), and (F) of this section do not prohibit a public official or employee who is required to file a financial disclosure statement under section 102.02 of the Revised Code from accepting and do not prohibit a person from giving to that public official or employee the payment of actual travel expenses, including any expenses incurred in connection with the travel for lodging, and meals, food, and beverages provided to the public official or employee at a meeting at which the public official or employee participates in a panel, seminar, or speaking engagement or provided to the public official or employee at a meeting or convention of a national organization to which either house of the general assembly, any legislative agency, or any other state agency pays membership dues. This division and divisions (D), (E), and (F) of this section do not prohibit a public official or employee who is not required to file a financial disclosure statement under section 102.02 of the Revised Code from accepting and do not prohibit a person from promising or giving to that public official or employee an honorarium or the payment of travel, meal, and lodging expenses if the honorarium, expenses, or both were paid in recognition of demonstrable business, professional, or esthetic interests of the public official or employee that exist apart from public office or employment, including, but not limited to, such a demonstrable interest in public speaking and were not paid by any person or other entity, or by any representative or association of those persons or entities, that is regulated by, doing business with, or seeking to do business with the department, division, institution, board, commission, authority, bureau, or other instrumentality of the governmental entity with which the public official or employee serves.

(I) A public official or employee may accept travel, meals, and lodging or expenses or reimbursement of expenses for travel, meals, and lodging in connection with conferences, seminars, and similar events related to official duties if the travel, meals, and lodging, expenses, or reimbursement is not of such a character as to manifest a substantial and improper influence upon the public official or employee with respect to that person's duties. The house of representatives and senate, in their code of ethics, and the Ohio ethics commission, under section 111.15 of the Revised Code, may adopt rules setting standards and conditions for the furnishing and acceptance of such travel, meals, and lodging, expenses, or reimbursement.

A person who acts in compliance with this division and any applicable rules adopted under it, or any applicable, similar rules adopted by the supreme court governing judicial officers and employees, does not violate division (D), (E), or (F) of this section. This division does not preclude any person from seeking an advisory opinion from the appropriate ethics commission under section 102.08 of the Revised Code.

(J) For purposes of divisions (D), (E), and (F) of this section, the membership of a public official or employee in an organization shall not be considered, in and of itself, to be of such a character as to manifest a substantial and improper influence on the public official or employee with respect to that person's duties. As used in this division, "organization" means a church or a religious, benevolent, fraternal, or professional organization that is tax exempt under subsection 501(a) and described in subsection 501(c)(3), (4), (8), (10), or (19) of the "Internal Revenue Code of 1986." This division does not apply to a public official or employee who is an employee of an organization, serves as a trustee, director, or officer of an organization, or otherwise holds a fiduciary relationship with an organization. This division does not allow a public official or employee who is a member of an organization to participate, formally or informally, in deliberations, discussions, or voting on a matter or to use his official position with regard to the interests of the organization on the matter if the public official or employee has assumed a particular responsibility in the organization with respect to the matter or if the matter would affect that person's personal, pecuniary interests.

(K) It is not a violation of this section for a prosecuting attorney to appoint assistants and employees in accordance with division (B) of section 309.06 and section 2921.421 of the Revised Code, for a chief legal officer of a municipal corporation or an official designated as prosecutor in a municipal corporation to appoint assistants and employees in accordance with sections 733.621 and 2921.421 of the Revised Code, for a township law director appointed under section 504.15 of the Revised Code to appoint assistants and employees in accordance with sections 504.151 and 2921.421 of the Revised Code, or for a coroner to appoint assistants and employees in accordance with division (B) of section 313.05 of the Revised Code.

As used in this division, "chief legal officer" has the same meaning as in section 733.621 of the Revised Code.

Sec. 126.21. The director of budget and management shall:

(A) Keep all necessary accounting records;

(B) Prescribe and maintain the accounting system of the state and establish appropriate accounting procedures and charts of accounts;

(C) Reconcile, in the case of any variation between the amount of any appropriation and the aggregate amount of items thereof, with the advice and assistance of the state agency affected thereby and the legislative budget office of the legislative service commission, totals so as to correspond in the aggregate with the total appropriation. In the case of a conflict between the item and the total of which it is a part, the item shall be considered the intended appropriation.

(D) Evaluate on an ongoing basis and, if necessary, recommend improvements to the internal controls used in state agencies;

(E) Authorize the establishment of petty cash accounts. The director of budget and management may withdraw approval for any petty cash account and require the officer in charge to return to the state treasury any unexpended balance shown by ~~his~~ the officer's accounts to be on hand. Any officer who is issued a warrant for petty cash shall render a detailed account of the expenditures of such petty cash and shall report when requested the balance of petty cash on hand at any time.

(F) Process orders, invoices, vouchers, claims, and payrolls and prepare financial reports and statements;

(G) Perform such extensions, reviews, and compliance checks prior to approving a payment as ~~he~~ the director considers necessary;

(H) Issue the official comprehensive annual financial report of the state. The report shall cover all funds and account groups of the state reporting entity and shall include general purpose financial statements prepared in accordance with generally accepted accounting principles and such other information as the director provides. All state agencies, authorities, institutions, offices, retirement systems, and other component units of the state reporting entity as determined by the director shall furnish the director whatever financial statements and other information ~~he~~ the director requests for the report, in such form, at such times, covering such periods, and with such attestation as ~~he~~ the director prescribes. The information for state institutions of higher education, as such term is defined in section ~~3345.031~~ 3345.011 of the Revised Code, shall be submitted to the director by the Ohio board of regents. The board shall establish a due date by which each such institution shall submit the information to the board, but no such date shall be later than one hundred twenty days after the end of the state fiscal year unless a later date is approved by the director.

Sec. 2907.03. (A) No person shall engage in sexual conduct with another, not the spouse of the offender, when any of the following apply:

(1) The offender knowingly coerces the other person to submit by any means that would prevent resistance by a person of ordinary resolution.

(2) The offender knows that the other person's ability to appraise the nature of or control ~~his or her~~ the other person's own conduct is substantially impaired.

(3) The offender knows that the other person submits because ~~he or she~~ the other person is unaware that the act is being committed.

(4) The offender knows that the other person submits because the other person mistakenly identifies the offender as ~~his or her~~ the other person's spouse.

(5) The offender is the other person's natural or adoptive parent, or a stepparent, or guardian, custodian, or person in loco parentis of the other person.

(6) The other person is in custody of law or a patient in a hospital or other institution, and the offender has supervisory or disciplinary authority over the other person.

(7) The offender is a teacher, administrator, coach, or other person in authority employed by or serving in a school for which the state board of education prescribes minimum standards pursuant to division (D) of section 3301.07 of the Revised Code, the other person is enrolled in or attends that school, and the offender is not enrolled in and does not attend that school.

(8) The other person is a minor, the offender is a teacher, administrator, coach, or other person in authority employed by or serving in an institution of higher education, and the other person is enrolled in or attends that institution.

(9) The other person is a minor, and the offender is the other person's athletic or other type of coach, is the other person's instructor, is the leader of a scouting troop of which the other person is a member, or is a person with temporary or occasional disciplinary control over the other person.

(B) Whoever violates this section is guilty of sexual battery. A violation of division (A)(1), (5), (6), (7), (8), or (9) of this section is a felony of the third degree. A violation of division (A)(2), (3), or (4) of this section is a felony of the fourth degree.

(C) As used in this section, "institution of higher education" means a state institution of higher education defined in section ~~3345.031~~ 3345.011 of the Revised Code, a private nonprofit college or university located in this state that possesses a certificate of authorization issued by the Ohio board of regents pursuant to Chapter 1713. of the Revised Code, or a school certified under Chapter 3332. of the Revised Code.

Sec. 3333.045. As used in this section, "state university or college" means any state university listed in section 3345.011 of the Revised Code, the northeastern Ohio universities college of medicine, the medical college

of Ohio at Toledo, any community college under Chapter 3354. of the Revised Code, any university branch district under Chapter 3355. of the Revised Code, any technical college under Chapter 3357. of the Revised Code, and any state community college under Chapter 3358. of the Revised Code.

The Ohio board of regents shall work with the attorney general, the auditor of state, and the Ohio ethics commission to develop a model for training members of the boards of trustees of all state universities and colleges and members of the board of regents regarding the authority and responsibilities of a board of trustees or the board of regents. This model shall include a review of fiduciary responsibilities, ethics, and fiscal management. Use of this model by members of boards of trustees and the board of regents shall be voluntary.

This section does not apply to the three members of the board of trustees of the northeastern Ohio universities college of medicine who are presidents of state universities.

Sec. 3345.011. "State university" means a public institution of higher education which is a body politic and corporate. Each of the following institutions of higher education shall be recognized as a state university: university of Akron, Bowling Green state university, Central state university, university of Cincinnati, Cleveland state university, Kent state university, Miami university, Ohio university, Ohio state university, Shawnee state university, university of Toledo, Wright state university, and Youngstown state university.

"State institution of higher education" means any state university or college as defined in division (A)(1) of section 3345.12 Of the Revised Code, community college, state community college, university branch established under Chapter 3355. Of the Revised Code, or technical college.

Sec. 3345.09. For purpose of this section, American sign language is hereby recognized as a foreign language, and any state institution of higher education may offer a course in American sign language. An undergraduate student who successfully completes a course in American sign language is entitled to receive credit for that course toward satisfaction of an undergraduate foreign language requirement of the state institution of higher education where the course is offered. As used in this section, "state institution of higher education" has the same meaning as in section ~~3345.031~~ 3345.011 of the Revised Code.

Sec. 3345.61. As used in this section and sections 3345.62 to 3345.66 of the Revised Code:

(A) "Board of trustees of a state institution of higher education" means

the board of trustees of a state institution of higher education as defined in section ~~3345.031~~ 3345.011 of the Revised Code.

(B) "Energy conservation measure" means an installation or modification of an installation in, or a remodeling of, an existing building in order to reduce energy consumption and operating costs. The term includes:

(1) Installation or modification of insulation in the building structure and systems within the building;

(2) Installation or modification of storm windows and doors, multiglazed windows and doors, and heat absorbing or heat reflective glazed and coated window and door systems; installation of additional glazing; reductions in glass area; and other window and door system modifications that reduce energy consumption and operating costs;

(3) Installation or modification of automatic energy control systems;

(4) Replacement or modification of heating, ventilating, or air conditioning systems;

(5) Application of caulking and weatherstripping;

(6) Replacement or modification of lighting fixtures to increase the energy efficiency of the system without increasing the overall illumination of a facility, unless such increase in illumination is necessary to conform to the applicable state or local building code for the proposed lighting system;

(7) Installation or modification of energy recovery systems;

(8) Installation or modification of cogeneration systems that produce steam or forms of energy such as heat, as well as electricity, for use primarily within a building or complex of buildings;

(9) Any other modification, installation, or remodeling approved by the board of trustees of a state institution of higher education as an energy conservation measure for one or more buildings owned by the institution.

(C) "Energy saving measure" means the acquisition and installation, by purchase, lease, lease-purchase, lease with an option to buy, or installment purchase, of an energy conservation measure and any attendant architectural and engineering consulting services.

Sec. 3345.71. As used in sections 3345.72 to 3345.77 of the Revised Code:

(A) "State university or college" means any state university listed in section 3345.011 of the Revised Code, the northeastern Ohio universities college of medicine, the medical college of Ohio at Toledo, any community college under Chapter 3354. of the Revised Code, any technical college under Chapter 3357. of the Revised Code, and any state community college under Chapter 3358. of the Revised Code.

section 3345.72 of the Revised Code.

Sec. 3345.72. (A) The office of budget and management shall work with the auditor of state, the Ohio board of regents, and two representatives of state universities and colleges appointed by the chancellor of the board of regents to develop rules under this division, and shall adopt the rules in accordance with section 111.15 Of the Revised Code. One of the chancellor's appointments shall represent a four-year institution and one a two-year institution. The rules shall include all of the following:

(1) Criteria for determining when to declare a state university or college under a fiscal watch, which criteria shall include all of the following:

(a) A requirement for the submission of a quarterly report from each state university or college, within thirty days after the end of each calendar quarter, to the board of regents, the director of budget and management, the legislative budget office of the legislative service commission, and the chairpersons and ranking minority members of the finance committees of the house of representatives and the senate;

(b) A requirement that each state university and college shall prepare at the end of each fiscal year a financial statement consistent with audit requirements prescribed by the auditor of state, and shall submit the financial statement to the auditor of state within four months after the end of the fiscal year;

(c) A requirement that the auditor of state shall send written notice to the agencies and persons mentioned in division (A)(1)(a) of this section if a state university or college fails to submit its financial statement within the time required under division (A)(1)(b) of this section;

(d) A requirement that the auditor of state shall send written notice to the agencies and persons mentioned in division (A)(1)(a) of this section if an audit of a state university or college reveals any of the following:

(i) Substantive audit findings, such as an inability to make timely payments to vendors, delays in pension retirement contributions, or requests for advanced state funding;

(ii) A significant variance between budgeted and actual spending for a fiscal year;

(iii) A significant operating budget deficit for a fiscal year.

(2) Actions to be taken by the board of trustees of a state university or college while under a fiscal watch;

(3) Criteria for determining when to declare the termination of the fiscal watch of a state university or college;

(4) The fiscal information to be reported to the board of regents by each state university or college under a fiscal watch for purposes of making

determinations under division (D) of this section and division (A) of section 3345.74 of the Revised Code, and the frequency and deadlines for reporting this information.

(B) The board of regents shall adopt a resolution declaring a state university or college to be in a state of fiscal watch if the board of regents determines that the criteria adopted under division (A)(1) of this section are satisfied with respect to that state university or college. For purposes of making this determination, the board of regents shall establish a financial tracking system and shall use the system to regularly assess each state university or college with respect to the criteria adopted under division (A)(1) of this section.

(C) While a state university or college is under a fiscal watch, the board of trustees of the university or college shall take the actions and report the fiscal information prescribed under divisions (A)(2) and (4) of this section.

(D) The board of regents shall adopt a resolution declaring the termination of the fiscal watch of a state university or college if the board of regents determines that the criteria adopted under division (A)(3) of this section are satisfied with respect to that state university or college.

(E) In making assessments and determinations under division (B) or (D) of this section, the board of regents shall use financial reports required under section 3345.05 of the Revised Code or any other documents, records, or information available to it or the auditor of state related to the criteria adopted under division (A)(1) or (3) of this section. In making determinations under division (D) of this section, the board of regents shall also use the fiscal information reported under division (C) of this section.

(F) The board of regents shall certify each action taken under division (B) or (D) of this section to the governor, the director of budget and management, the speaker and minority leader of the house of representatives, the president and minority leader of the senate, the legislative budget office of the legislative service commission, and the chairpersons and ranking minority members of the finance committees of the house and senate.

(G) A determination by the board of regents under this section that a fiscal watch exists or does not exist, or that a fiscal watch is terminated or is not terminated, is final and conclusive and not appealable.

(H) If a state university or college fails to submit the quarterly report required under division (A)(1) of this section within thirty days after the end of a calendar quarter, the board of regents shall withhold payment of any instructional subsidies to the university or college until it submits the report. Upon submission of the report, the board of regents shall pay the withheld

subsidies to the university or college.

Sec. 3345.73. The office of budget and management shall work with the auditor of state, the Ohio board of regents, and two representatives of state universities and colleges appointed by the chancellor of the board of regents to develop rules under this section, and shall adopt the rules in accordance with section 111.15 Of the Revised Code. One of the chancellor's appointments shall represent a four-year institution and one a two-year institution. The rules shall establish the following:

(A) The financial indicators and the standards for using those indicators that the board of regents is to employ to determine whether a university or college under a fiscal watch is experiencing sufficient fiscal difficulties to warrant appointing a conservator under section 3345.74 of the Revised Code;

(B) The financial indicators and the standards for using those indicators that a governance authority established for a state university or college under section 3345.75 of the Revised Code is to employ to determine whether the university or college is experiencing sufficient fiscal stability to warrant terminating that governance authority in accordance with section 3345.76 of the Revised Code.

The indicators and standards adopted under this section shall be designed so as to take into account at least the revenues, expenditures, assets, liabilities, and fund balances of a state university or college, and shall be designed so as to indicate the financial performance and position of a state university or college.

Sec. 3345.74. (A) The Ohio board of regents at least annually shall apply the indicators and standards adopted under division (A) of section 3345.73 of the Revised Code to determine whether a state university or college under a fiscal watch is experiencing sufficient fiscal difficulties to warrant the appointment of a conservator under this section. Upon making a determination that appointment of a conservator is warranted, the board of regents shall request from the office of budget and management, which shall provide, certification that sufficient fiscal difficulties exist to warrant appointment of a conservator. The board of regents shall then certify this determination to the governor.

Notwithstanding section 3333.021 of the Revised Code, that section does not apply to certification by the board of regents under this section or to the declaration of a fiscal watch under section 3345.72 Of the Revised Code.

A determination by the board of regents under this division that sufficient fiscal difficulties exist or do not exist to warrant appointing a

conservator is final and conclusive and not appealable.

(B) The governor may appoint a conservator for any state university or college under a fiscal watch, upon certification by the Ohio board of regents under division (A) of this section that the appointment is warranted. The governor shall consult with the speaker and minority leader of the house of representatives and the president and minority leader of the senate before making the appointment. From the time a conservator is appointed until the time the governor issues an order terminating the governance authority under division (B) of section 3345.76 Of the Revised Code, the governor may remove any member of the board of trustees of the state university or college from office and not fill the vacancy.

(C) Upon appointment of a conservator under this section for a state university or college, all of the following shall occur effective immediately:

(1) All duties, responsibilities, and powers of the board of trustees of the university or college are suspended;

(2) The management and control of the state university or college is assumed by the conservator;

(3) Notwithstanding any section of the Revised Code, all duties, responsibilities, and powers assigned by law to the board of trustees are assigned to the conservator, and the conservator becomes the successor to, assumes the lawful obligations of, and otherwise constitutes the continuation of the board of trustees for purposes of all pending legal actions, contracts or other agreements, and obligations of the university or college;

(4) Wherever the board of trustees is referred to in any contract or legal document, the reference is deemed to refer to the conservator. No validation, cure, right, privilege, remedy, obligation, or liability is lost or impaired by reason of the assumption of the board's authority by the conservator under this section and any such validation, cure, right, privilege, remedy, obligation, or liability shall be administered by the conservator. No action or proceeding pending on the effective date of the assumption by the conservator of the board's authority is affected by that assumption and any such action or proceeding shall be prosecuted or defended in the name of the conservator.

(5) The conservator assumes custody of all equipment, records, files, effects, and all other property real or personal of the state university or college;

(6) All authority and duties of the president or chief executive officer, and the pay of the president or chief executive officer, are suspended.

(D) The conservator for a state university or college shall conduct a preliminary performance evaluation of the president or chief executive

officer of the university or college and provide a copy of findings and any recommendations to the governance authority established for the university or college under section 3345.75 of the Revised Code.

(E) A conservator appointed under this section shall be immune, indemnified, and held harmless from civil liability, including any cause of action, legal, equitable, or otherwise, for any action taken or duties performed by the conservator in good faith and in furtherance of the performance of the duties of the conservator under this section.

(F) The Governor shall set the compensation for a conservator appointed for a state university or college. The expenses and compensation of the conservator and others employed by the conservator shall be paid out of the operating funds and revenues of that university or college.

Sec. 3345.75. (A) Not later than thirty days after the date of the appointment of a conservator for a state university or college under section 3345.74 of the Revised Code, the governor shall appoint, with the advice and consent of the senate, a governance authority for the university or college consisting of five members. The members shall serve at the pleasure of the Governor and any vacancies shall be filled in the same manner as an original appointment.

The governor shall designate one of the members of the governance authority as the chairperson and shall call the first meeting of the authority. A majority of the members of a governance authority constitutes a quorum and the affirmative vote of a majority of the members shall be necessary for any action taken by an authority. Meetings of a governance authority shall be called in the manner and at the times prescribed by the authority, but the authority shall meet at least four times annually and at other times necessary for the best interest of the university or college. A governance authority may adopt procedures for the conduct of its business.

The members of a governance authority shall not receive compensation for their services, but shall be paid their reasonable and necessary expenses while engaged in the discharge of their official duties.

(B)(1) A governance authority established under this section shall appoint an executive director who shall serve at the pleasure of the authority and with the compensation and other terms and conditions established by it. With the approval of the chairperson of the authority, the executive director may appoint additional personnel as the director considers appropriate. The executive director shall oversee the day-to-day operation of the university or college under the direction and supervision of the authority.

(2) The governance authority shall conduct a final performance evaluation of the president or chief executive officer of the university or

college. Following the evaluation, the governance authority may reinstate any duties, authority, or pay previously suspended under division (C)(6) of section 3345.74 Of the Revised Code, or may terminate the president or chief executive officer in accordance with the terms of the person's employment contract.

(C) Upon appointment of all members of a governance authority under this section and upon the effective date for the commencement of the duties of the executive director appointed by that authority under this section, all authority, responsibilities, duties, and references assumed by or conferred upon the conservator under divisions (C)(2) to (6) of section 3345.74 of the Revised Code terminate and all of the following shall occur, effective immediately:

(1) The management and control of the state university or college is assumed by the governance authority;

(2) Notwithstanding any section of the Revised Code, all duties, responsibilities, and powers assigned by law to the board of trustees or to the conservator are assigned to the governance authority and the governance authority becomes the successor to, assumes the lawful obligations of, and otherwise constitutes the continuation of the board of trustees and the conservator for purposes of all pending legal actions, contracts or other agreements, and obligations of the university or college;

(3) Wherever the board of trustees or conservator is referred to in any contract or legal document, the reference is deemed to refer to the governance authority. No validation, cure, right, privilege, remedy, obligation, or liability is lost or impaired by reason of the assumption of the authority of the board of trustees and the conservator by the governance authority under this section and any such validation, cure, right, privilege, remedy, obligation, or liability shall be administered by the governance authority. No action or proceeding pending on the effective date of the assumption by the governance authority of the authority of the board of trustees and the conservator is affected by that assumption and any such action or proceeding shall be prosecuted or defended in the name of the governance authority.

(4) The governance authority assumes custody of all equipment, records, files, effects, and all other property real or personal of the state university or college.

(D) A governance authority and executive director appointed under this section shall be immune, indemnified, and held harmless from civil liability, including any cause of action, legal, equitable, or otherwise, for any action taken or duties performed by the governance authority and executive

director in good faith and in furtherance of the performance of the duties of the governance authority and executive director under this section.

(E) The expenses of a governance authority and the expenses and compensation of an executive director appointed for a state university or college under this section and others employed by the executive director under this section shall be paid out of the operating funds and revenues of that university or college.

(F) A governance authority appointed under this section shall prepare, in accordance with rules adopted by the office of budget and management, and submit to the board of regents, the governor, the speaker and minority leader of the house of representatives, and the president and minority leader of the senate a quarterly report setting forth all of the following:

(1) The general condition of the university or college;

(2) The amounts of receipts and disbursements and the items for which the disbursements were made;

(3) The numbers of professors, officers, teachers, and other employees and the position and compensation of each and the numbers of students by courses of instruction;

(4) An estimate of expenses for the ensuing quarter;

(5) A statement of the general progress of the university or college with indication of any improvements and specification of any experiments with institutional reform and the costs and results of those experiments;

(6) Any other matters the governance authority considers useful to report.

(G) The attorney general shall be the legal adviser to the conservator and the governance authority, and the attorney general may employ special counsel to aid the conservator or governance authority with respect to any legal matter on behalf of the institution. the conservator and the governance authority may as otherwise provided by law request the attorney general to bring or defend suits or proceedings in the name of the institution.

Sec. 3345.76. (A) A governance authority appointed for a state university or college under section 3345.75 of the Revised Code at least annually shall apply the indicators and standards adopted under division (B) of section 3345.73 of the Revised Code to determine whether the university or college is experiencing sufficient fiscal stability to warrant terminating that governance authority in accordance with this section. Upon making a determination that termination of the governance authority is warranted, the governance authority shall certify this determination to the governor.

A determination by a governance authority under this division that sufficient fiscal stability exists or does not exist to warrant terminating that

governance authority is final and conclusive and not appealable.

(B) The governor may issue an order, effective as provided under division (D) of this section, terminating the governance authority appointed under 3345.75 of the Revised Code, upon the occurrence of either of the following:

(1) Certification by the governance authority for that state university or college the termination of that governance authority is warranted;

(2) A finding that in the governor's opinion termination of the governance authority is in the best interests of the state, that state university or college, and the students of that state university or college.

(C) Upon issuance of an order under division (B) of this section, the governor shall fill each vacancy on the board of trustees of the university or college for the unexpired portion of the member's term or, if the term for the member has already expired, for the unexpired portion of the succeeding term.

(D) Thirty days after the date on which the Ohio board of regents determines that all vacancies on the board of trustees have been filled, all authority, responsibilities, duties, and references assumed by or conferred upon the governance authority of that university or college under division (C) of section 3345.75 of the Revised Code terminate and all of the following shall occur:

(1) The management and control of the state university or college by the board of trustees shall be resumed;

(2) The board becomes the successor to, assumes the lawful obligations of, and otherwise constitutes the continuation of the conservator and the governance authority for purposes of all pending legal actions, contracts or other agreements, and obligations of the university or college;

(3) Wherever the conservator or the governance authority is referred to in any contract or legal document, the reference is deemed to refer to the board of trustees. No validation, cure, right, privilege, remedy, obligation, or liability is lost or impaired by reason of the resumption by the board of trustees of the authority of the conservator and the governance authority, and any such validation, cure, right, privilege, remedy, obligation, or liability shall be administered by the board of trustees. No action or proceeding pending on the effective date of the resumption by the board of trustees of the authority of the conservator and the governance authority is affected by that resumption, and any such action or proceeding shall be prosecuted or defended in the name of the board of trustees.

(4) The board of trustees resumes custody of all equipment, records, files, effects, and all other property real or personal of the state university or

college:

(5) Employment of the executive director appointed for the university or college under section 3345.75 of the Revised Code is terminated;

(6) The duties, authority, and pay of the president or chief executive officer of the university or college suspended under division (C)(6) of section 3345.74 and not reinstated under division (B)(2) of section 3345.75 Of the Revised Code are reinstated to the person holding that position, unless otherwise provided for by the board of trustees.

Sec. 3345.77. Notwithstanding any section of the Revised Code, a contract of employment entered into on or after the effective date of this section between the board of trustees of a state university or college and the president or chief executive officer of that university or college shall provide for the performance evaluation, the suspension of the authority, duties, and pay, and the termination of the employment contract of the president or chief executive officer as provided under divisions (C) and (D) of section 3345.74 and division (B)(2) of section 3345.75 of the Revised Code.

Sec. 3345.78. No current or former employee or current or former officer of a state university or college shall knowingly conceal any information from, withhold any information requested by, falsify any information to, or impede the work of any of the following:

(A) A conservator, governance authority, or executive director appointed for the institution under section 3345.74 or 3345.75 Of the Revised Code;

(B) Any personnel appointed by the conservator or executive director under division (F) of section 3345.74 or division (B)(1) of section 3345.75 Of the Revised Code.

Sec. 3345.99. (A) Whoever violates section 3345.13 of the Revised Code shall be fined not less than fifty nor more than one hundred fifty dollars.

(B) Whoever violates division (A) or (B) of section 3345.34 of the Revised Code is guilty of a misdemeanor of the first degree.

(C) Whoever violates section 3345.78 Of the Revised Code is guilty of a felony of the fourth degree.

SECTION 2. That existing sections 101.72, 102.02, 102.022, 102.03, 126.21, 2907.03, 3345.011, 3345.09, 3345.61, and 3345.99 and section 3345.031 of the Revised Code are hereby repealed.

SECTION 3. Under section 111.15 of the Revised Code, the Office of

udget and Management shall initially file proposed rules pursuant to sections 3345.72 and 3345.73 and division (F) of section 3345.75 of the Revised Code no later than thirty days after the effective date of this section.

SECTION 4. All items in this section are hereby appropriated as designated out of any moneys in the state treasury to the credit of the General Revenue Fund. For all appropriations made in this act, those in the first column are for fiscal year 1996 and those in the second column are for fiscal year 1997. The appropriations made in this act are in addition to any other appropriations made for the 1995-1997 biennium.

OBM OFFICE OF BUDGET AND MANAGEMENT

General Revenue Fund			
GRF 042-407	Central State Deficit Reduction	\$	0 \$ 10,300,000
Total GRF		\$	0 \$ 10,300,000
TOTAL ALL BUDGET FUND GROUPS		\$	0 \$ 10,300,000

Central State Deficit Reduction

In order to facilitate the preparation of audited financial statements for fiscal year 1997 and prior to any release of funds from the foregoing appropriation item 042-407, Central State Deficit Reduction, by the Director of Budget and Management, the university shall submit a Fiscal Recovery Plan. The plan, as defined by the Director, shall include among other items:

- (A) A balanced budget for all funds of the university for fiscal year 1997;
- (B) A detailed set of work tasks and deliverables with due dates aimed at strengthening internal and budgetary controls;
- (C) A detailed description of how the funds will be expended;
- (D) Specific actions that will be taken to establish segregated cash fund accounting requirements consistent with Generally Accepted Accounting Principles applicable to Public Colleges and Universities.

In achieving a balanced fiscal year 1997 budget, the board of trustees shall maintain its declared state of financial exigency, make budget reallocations by means other than uniform, across-the-board budget reductions or solely from nonsalary sources, give priority to funding requests in support of general undergraduate education, reduce academic support units before academic programs, and take such other action that may include, but is not limited to, reducing the number of faculty and staff as appropriate. Upon receiving these funds or a portion of the funds, Central State University's first priority shall be to pay off and close out all past due vendor debts.

The Director of Budget and Management shall appoint a financial

supervisor to monitor adherence to the plan and advise the Director on the financial status of the university. With the full cooperation of Central State University, the financial supervisor shall prepare reports on the progress of the university in the implementation of its Fiscal Recovery Plan. Within ten days after the end of each month, the university shall prepare a payables report delineating by fund and vendor all outstanding payables owed by the university. A comparative analysis by month should also be presented with rationale provided for the variances reflected for changes from the previous month.

For the remainder of fiscal year 1997 the financial supervisor shall serve as the chief financial officer for the university and will report directly to the Director of Budget and Management. To the extent that the financial supervisor and/or the director determines that disbursements and other uses of funds are in excess of revenues and other sources, the financial supervisor, upon written notification to the board of trustees, may take any action the financial supervisor deems necessary to bring expenditures and uses of funds in line with revenues and other sources. No proposed disbursements including the addition of personnel shall be made by the university without prior approval by either the financial supervisor or the director.

The board of trustees will work cooperatively with the director to create a stable and responsible fiscal operation for the university. The financial supervisor shall prepare recommendations for the board of trustees to identify the necessary administrative actions needed to achieve an enhanced fiscal management environment for the university. The Director may use the resources of the Director's office, as the Director deems necessary, including any remaining appropriations granted from the Emergency Purposes account of the Controlling Board on July 11, 1996. The Chancellor of the Board of Regents shall work cooperatively with the financial supervisor and/or the Director of Budget and Management to provide staff support as necessary to support the efforts to create an improved fiscal management environment for Central State University.

Notwithstanding Section 92.10 of Am. Sub. H.B. 117 of the 121st General Assembly, as amended by Am. Sub. S.B. 310 of the 121st General Assembly, Central State University shall not be required to repay the \$1,500,000 loan approved by the Controlling Board in fiscal year 1995 from the Emergency Purposes appropriation line item.

Within the limits set forth in this act, the Director shall establish accounts indicating the source and amount of funds for each appropriation made in this act, and shall determine the form and manner in which

ation accounts shall be maintained. Expenditures from appropriations contained in this act shall be accounted for as though made in Am. Sub. H.B. 117 of the 121st General Assembly.

The appropriations made in this act are subject to all provisions of Am. Sub. H.B. 117 of the 121st General Assembly that are generally applicable to such appropriations. It is the intent of the General Assembly to provide these funds to Central State University in order for the institution to remain open until the end of fiscal year 1997. The passage of this act shall not bind the General Assembly to make appropriations for these purposes in subsequent years.

SECTION 5. The General Assembly hereby declares that this act is intended to protect the safety, health, and welfare of the public.

SECTION 6. Except for this section and Section 4 of this act, which appropriate or relate to the appropriation of money, the codified and uncodified sections of law contained in this act are subject to the referendum. Therefore, under Ohio Constitution, Article II, Section 1c and section 1.471 of the Revised Code, the codified and uncodified sections of law contained in this act, except this section and Section 4 of this act, take effect on the ninety-first day after this act is filed with the Secretary of State. If, however, a referendum petition is filed against a section, the section, unless rejected at the referendum, takes effect at the earliest time permitted by law.

This section and Section 4 of this act, which appropriate or relate to the appropriation of money, are not subject to the referendum. Therefore, under Ohio Constitution, Article II, Section 1d and section 1.471 of the Revised Code, this section and Section 4 of this act go into immediate effect when this act becomes law.

SECTION 7. Section 102.02 of the Revised Code is presented in this act as a composite of the section as amended by both Am. H.B. 182 and Am. Sub. H.B. 538 of the 121st General Assembly, with the new language of neither of the acts shown in capital letters. This is in recognition of the principle stated in division (B) of section 1.52 of the Revised Code that such amendments are to be harmonized where not substantively irreconcilable and constitutes a legislative finding that such is the resulting version in effect prior to the effective date of this act.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the ___ day of _____, A. D. 20____.

Secretary of State.

File No. _____ Effective Date _____